Justice

Annual Report
2011-2012

Alberta

Note to Readers:
Copies of the annual report are available on the Alberta Justice Communications website or by contacting:

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Justice

Annual Report
2011-12

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 21 ministries.

The annual report of the Government of Alberta contains Ministers' accountability statements, the consolidated financial statements of the Province and *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

On October 12, 2011, the government announced new ministry structures. The 2011-12 ministry annual reports and financial statements have been prepared based on the October 12, 2011 ministry structure.

The October 12, 2011 Ministry of Justice is comprised of Justice; Alberta Human Rights Commission, formerly with the Ministry of Culture and Community Spirit.

This annual report of the Ministry of Justice contains the Minister's accountability statement, the audited consolidated financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes:

- **the financial statements of entities making up the Ministry including the Department of Justice and the provincial agency for which the Minister is responsible;**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report; and**
- **financial information relating to trust funds.**

On May 8, 2012, the government announced cabinet restructuring. As a result, the Ministry of Justice was restructured. The Department of Justice and the Department of Solicitor General and Public Security were consolidated and are renamed as the "Ministry of Justice and Solicitor General". Additionally, the Ministry of Justice's responsibility for the Public Trustee program was transferred to the Ministry of Human Services. This most recent restructuring will be reflected in the 2012-13 Ministry Annual Report.

Minister's Accountability Statement

The Ministry's annual report for the year ended March 31, 2012, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at June 8, 2012 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]

Honourable Jonathan Denis, QC
Minister of Justice and Solicitor General

Message from the Minister

Alberta Justice continued to work to ensure Alberta's communities remain safe and secure through a range of activities in 2011-12.

The ministry continued to demonstrate an innovative edge to crime prevention by bringing together more than 200 community leaders from across the province who are impacted by gang activity to discuss crime reduction strategies. The three-day symposium also featured a $1 million commitment through the Civil Forfeiture Office to support gang reduction programs.

In Calgary, a new three-year pilot was launched in early 2012 to address the needs of those at high risk to reoffend. A cross-ministry initiative involving Justice, Solicitor General and Public Security and Health, the Integrated Justice Services Project is specifically designed to support offenders currently under community supervision. This targeted population has unique needs, and through this project, addiction and mental health services, intensive community supervision and other supports will be provided in one location in an effort to prevent or reduce the cycle of offending. The pilot is expected to support 150 to 200 offenders at any one time.

This collaborative approach was also prevalent in several other areas of work, including the ongoing development of the Alberta Gang Reduction Strategy, as well as in our criminal justice division. The ministry continues working with law enforcement agencies to improve the management and sharing of audio and video information between the police, Crown and defence. This supports the two key priorities of the ministry, improving the efficiency and accessibility of Alberta's court system.

The Court Case Management Program, another example of an innovative initiative to improve access to justice, continues to be implemented with positive results. Established in adult Provincial Criminal Court in Edmonton and Calgary, this judicially-led initiative was most recently implemented in Wetaskiwin and Okotoks this spring, with the opening of Case Management Offices in both courthouses. The offices will help to ensure a more efficient use of the court's time and facilities by hearing routine criminal matters that need not be heard by a judge.

There were several significant pieces of legislation passed or proclaimed in 2011-12. The *Missing Persons Act*, passed in 2011, provides access to critical information and allows police to more quickly and efficiently locate missing persons. The Act balances access to needed information and records with the need to maintain the privacy of these often vulnerable individuals. This was developed in partnership with the Calgary Police Service, the Edmonton Police Service, and the RCMP. As well, in February 2012, the *Wills and Succession Act* came into force. The Act updates a variety of statutes and succession legislation to ensure it continues to meet the changing needs of Albertans.

Alberta Justice also participated in a cross ministry initiative led by Alberta Transportation to make Alberta's roads and highways safer for all Albertans. *Alberta's Traffic Safety Amendment Act* strengthens sanctions on impaired drivers, particularly repeat offenders.

The Government of Alberta has made a strong commitment to invest in Alberta's families and communities. As an Albertan and Minister of Justice and Solicitor General, I take great pride in knowing the achievements of the ministry have helped advance this commitment, and in being part of a group of dedicated individuals who are working hard to help make our communities a safer place in which to live.

[Original signed by]

Jonathan Denis, QC
Minister of Justice and Solicitor General

Management's Responsibility for Reporting

The Ministry of Justice includes the Department of Justice and the Human Rights Education and Multiculturalism Fund. The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry rests with the Minister of Justice and Solicitor General. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with Canadian public sector accounting standards. The Office of the Public Trustee financial statements are prepared in accordance with a described basis of accounting, to address the unique nature of these financial statements. The performance measures are prepared in accordance with the following criteria:

- Reliability – information used in applying performance measure methodologies agrees with underlying source data for the current and prior year's results.
- Understandability – the performance measure methodologies and results are presented clearly.
- Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – goals, performance measures and related targets match those included in the Ministry's Budget 2011.

As Deputy Minister, in addition to program responsibilities, I am responsible for the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under Ministry administration;
- provide Executive Council, the President of Treasury Board and Minister of Finance and the Minister of Justice and Solicitor General information needed to fulfill their responsibilities; and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act.*

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executives of the individual entities within the Ministry.

[Original signed by]

Ray Bodnarek, QC
Deputy Minister of Justice
June 8, 2012

Results Analysis

Ministry Overview

In collaboration with the judiciary, communities, government agencies and non-governmental organizations, the Ministry of Justice strives to fulfill its mission: a fair and safe Alberta.

Department of Justice

Each division provides specific expertise to the justice system. All divisions share responsibility for providing integrated service by partnering with one another, with other Alberta ministries, the judiciary and stakeholder organizations.

Communications
Communications provides strategic communications support and advice to the Minister, Deputy Minister, and department executive management and staff. Communications also informs Albertans about the justice system and department goals, initiatives and achievements.

Corporate Services
Corporate Services provides strategic advice and services to the Ministry in the areas of business and financial planning and reporting, performance measurement, policy, information technology management, *Freedom of Information and Protection of Privacy Act* administration, records management, contract management, enterprise risk management, emergency management, capital planning and project management. The Division also manages the Notaries Public, Commissioners for Oaths, and the Documentation Authentication programs, as well as providing asset management and disposal services on behalf of the Civil Forfeiture Office.

Court Services
Court Services provides administrative and technical support to Alberta's three courts: the Court of Appeal of Alberta, the Court of Queen's Bench of Alberta and the Provincial Court of Alberta. The division also provides information and support to the Ministry and Minister of Justice and Attorney General. The division develops strategies to provide access to a broad range of services including mediation and other dispute resolution mechanisms. Court Services also operates Law Information Centres and Family Justice Services to provide assistance to self-represented litigants. In addition, Law Libraries provide legal information to judges, Crown prosecutors, other lawyers and the public.

Criminal Justice
Criminal Justice is responsible for the prosecution of persons charged with *Criminal Code of Canada, Youth Criminal Justice Act* and provincial statute offences and also handles criminal appeals in the Alberta Court of Appeal and the Supreme Court of Canada on behalf of Alberta's Attorney General. Criminal Justice also develops criminal law policy for the province and supports criminal law consultation with other provinces, territories and the Government of Canada.

Human Resource Services

Human Resource Services provides advisory services and support to Justice divisions in the areas of staffing, employee/labour relations, organizational design, staff development, performance management, and develops and delivers human resource programs.

Justice Services

Justice Services is focused on the delivery of access to justice for all Albertans. Branches within the Division are outward facing and serve to support and protect the legal interests of vulnerable citizens, including families who depend on court-ordered maintenance payments, individuals unable to protect their financial interests, and individuals who cannot afford legal counsel. Programs in the Division include the Maintenance Enforcement Program, Child Support Recalculation Program, Motor Vehicle Accident Claims Program, Motor Vehicle Accident Recoveries Program, Medical Claims Program, Fines Enforcement Program, and Abandoned and Seized Vehicle Program. All services of the Office of the Public Trustee and the Office of the Chief Medical Examiner fall within the Division, as does oversight of the grant provided to Legal Aid, the Civil Forfeiture Office and the Civil Forfeiture Asset Management team.

Legal Services

Legal Services provides legal services to all Government of Alberta ministries and represents them in matters before the courts and tribunals. The Legislative Counsel Office is responsible for drafting government bills, regulations and Orders in Council.

Safe Communities

Safe Communities (SafeCom) is responsible for leading facilitating and prioritizing cross-ministry work related to crime prevention and reduction. Through its partnerships with other government ministries, communities and key stakeholders, SafeCom supports programs and initiatives that strike a balance between prevention, treatment and enforcement. Originally established to facilitate and oversee the government's response to recommendations in the Safe Communities Task Force Report, SafeCom's emphasis has evolved to facilitating and supporting the implementation and evaluation of Alberta's Crime Prevention Framework.

Recent examples of this work include the implementation the Alberta Gang Reduction Strategy and the Integrated Justice Services Project. The Division is also focused on community engagement to support and encourage crime prevention at the grass roots level. SafeCom continues to administer existing projects under the Safe Communities Innovation Fund, which supports crime prevention and reduction pilot projects that make Alberta communities safer and address the needs of at-risk Albertans and their families. Finally, the Division continues to oversee the evaluation of the government's response to the Task Force recommendations, the development of legislation related to safe communities, champions access to justice initiatives and facilitates understanding and change within the justice system.

Alberta Human Rights Commission

The Minister of Justice is responsible for the *Alberta Human Rights Act*, which establishes the Alberta Human Rights Commission and the Human Rights Education and Multiculturalism Fund.

The Alberta Human Rights Commission is an independent commission of the Government of Alberta, reporting to the Minister. The Commission protects human rights in Alberta by resolving complaints made under the *Alberta Human Rights Act*. Human rights tribunals adjudicate complaints that cannot be resolved. The Commission works to eliminate discrimination and barriers to full participation in society through education and other services. The Commission is also responsible for overseeing the administration of the Human Rights Education and Multiculturalism Fund, which supports community organizations and the Ministry in undertaking educational initiatives that eliminate discrimination and racism and encourages the full participation of Albertans in all aspects of society.

Agencies, Boards and Committees

Alberta Review Board

The Alberta Review Board makes or reviews dispositions concerning any accused person for whom a verdict of "not criminally responsible because of mental disorder" or "unfit to stand trial" is rendered, according to the provisions of the *Criminal Code of Canada*. The board also has the responsibility for determining whether a person should be subject to a detention order or conditional discharge, or be granted an absolute discharge. The board's nine members are appointed by the Lieutenant Governor in Council.

Fatality Review Board

The Fatality Review Board is responsible for reviewing certain deaths investigated by the Office of the Chief Medical Examiner and recommending to the Minister of Justice and Attorney General whether a public fatality inquiry should be held. The board is appointed by the Lieutenant Governor in Council and is composed of a lawyer, a physician, and a lay-person. The Chief Medical Examiner is also a member of the board, but cannot vote on any matter before it. The duties of the board are to review death investigations under the *Fatality Inquiries Act* in order to determine the need for holding a public fatality inquiry, and to review complaints respecting misbehavior or incompetence or neglect of duty by medical examiners or the inability of medical examiners to perform their duties under the Act.

Judicial Council

The Judicial Council screens individuals to determine if they are qualified for appointment to the Provincial Court of Alberta. The council is granted jurisdiction to deal with complaints against masters, Provincial Court judges and Justices of the Peace. The Minister of Justice and Attorney General appoints two members of this council. The remaining four members are designated under the *Judicature Act*.

Notaries Public Review Committee

The Notaries Public Review Committee advises the Minister of Justice and Attorney General on appointments of lay notaries public. The committee consists of a member of the Law Society of Alberta, a member of the business community and a member of the Ministry, who is the secretary. All are appointed by Ministerial Order under the *Government Organization Act*. The committee reviews applications for appointment and then provides recommendations to the Minister of Justice and Attorney General.

Provincial Court Nominating Committee

The Provincial Court Nominating Committee provides recommendations to the Minister of Justice and Attorney General on the appointment of individuals to the Provincial Court of Alberta. The committee is comprised of 11 members, eight of whom are appointed by the Minister of Justice and Attorney General and include representatives from the legal profession and members of the public. The remaining three committee members include the Chief Judge of the Provincial Court of Alberta, the President of the Law Society of Alberta, and the President of the Canadian Bar Association (Alberta Branch), or their representatives.

Rules of Court Committee

The Rules of Court Committee makes recommendations to the Minister of Justice and Attorney General on the amendments to the Rules of Court made under the *Judicature Act*. The committee consists of six members: the Chief Justice of Alberta or designate, the Chief Justice of the Court of Queen's Bench or designate, the Chief Judge of the Provincial Court of Alberta or designate, two members appointed by the Minister of Justice and Attorney General on recommendation of the Law Society of Alberta and one member appointed by the Minister of Justice and Attorney General.

AUDITOR
GENERAL
Alberta

Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as "Reviewed by Auditor General" in the *Ministry of Justice's 2011-12 Annual Report*. The reviewed performance measures are the responsibility of the Ministry and are prepared based on the following criteria:

- Reliability - information used in applying performance measure methodologies agrees with underlying source data for the current and prior years' results.
- Understandability - the performance measure methodologies and results are presented clearly.
- Comparability - the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness - goals, performance measures and related targets match those included in the Ministry's Budget 2011.

My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the Ministry.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measures. Further, my review was not designed to assess the relevance and sufficiency of the reviewed performance measures in demonstrating Ministry progress towards the related goals.

Based on my review, nothing has come to my attention that causes me to believe that the "Reviewed by Auditor General" performance measures in the Ministry's 2011-12 Annual Report are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 23, 2012

Edmonton, Alberta

Performance measures reviewed by the Auditor General are noted with an asterisk (*)
on the Performance Measures Summary Table

Performance Measures Summary Table

	Goals/Performance Measure(s)	Prior Years' Results				Target	Current Actual
Goal 1: Alberta's communities are safe							
1.a♦	**Public Perception of Safety in the Neighbourhood**: The percentage of Albertans who feel "reasonably safe" or "very safe" walking alone in their area after dark	75% 2007-08	73% 2008-09	78% 2009-10	82% 2010-11	**82%**	82% 2011-12
Goal 2: Fair and independent prosecutions							
2.a*	**Public Perception of Fairness in the Prosecution Service**: The percentage of Albertans who "strongly agree" or "somewhat agree" that Alberta Justice provides a fair and impartial service to prosecute people charged with a crime		71% 2008-09	76% 2009-10	77% 2010-11	**76%**	75% 2011-12
Goal 3: A fair and accessible civil and criminal justice system for Albertans							
3.a	**Median Elapsed Time from First to Last Appearance**: The midpoint in the number of days it takes to process a case in court from first to last appearance		128 days 2007-08	121 days 2008-09	126 days 2009-10	**Below Canadian Median** **118 days**	120 days 2010-11
Goal 4: Accessible justice services for Albertans							
4.a*	**Maintenance Enforcement Program – Regularity of Payment Rate**: The program's compliance rate on cases enrolled by regular monthly payments	68% 2007-08	69% 2008-09	67% 2009-10	69% 2010-11	**70%**	70% 2011-12
4.b	**Law Information Centres**: The percentage of Law Information Centre clients who are satisfied overall with the services provided			95% 2009-10	97% 2010-11	**95%**	96% 2011-12
Goal 5: An innovative, effective and efficient justice system							
5.a	**Provincial Court (Criminal) time to case disposition**: The mid-point in the number of days in processing cases from the date the charge is laid to disposition						
	• Calgary			165 days 2009-10	164 days 2010-11	165 days	167 days 2011-12
	• Edmonton			172 days 2009-10	179 days 2010-11	172 days	162 days 2011-12
	• Other regions			125 days 2009-10	125 days 2010-11	125 days	128 days 2011-12

	Goals/Performance Measure(s)	Prior Years' Results				Target	Current Actual
Goal 6: Strategic legal advice and counsel to government to achieve Government of Alberta outcomes							
6.a	**Government of Alberta ministries' satisfaction with Legal Services**: Percentage of clients from Government of Alberta ministries who are satisfied with the legal services provided by the Legal Services Division	88% 2007-08	91% 2008-09	○ 2009-10	90% 2010-11	**93%**	89% 2011-12
Albertans participate in the social, economic and cultural life of the province without discrimination**							
	Public Perception of Human Rights in Alberta: Percentage of adult Albertans who believe human rights are well protected in Alberta	88% 2007-08	91% 2008-09	89% 2009-10	89% 2010-11	**90%**	87% 2011-12
	Public Perception of Workplaces Free of Discrimination: Percentage of adult Albertans who believe their current or last place of work in Alberta is free of discrimination	79% 2007-08	81% 2008-09	81% 2009-10	79% 2010-11	**82%**	81% 2011-12

* **Indicates Performance Measures that have been reviewed by the Office of the Auditor General**

The performance measures indicated with an asterisk were selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal and mandated initiatives.
- Measures for which new data is available.
- Measures that have well established methodology.

◆ This measure is also included in Measuring Up 2011-12 under Goal 3. Data for this measure for years 2009-10, 2010-11 and 2011-12 were audited by the Auditor General as indicated in the Measuring Up Auditor's Report.

○ A biennial survey schedule was adopted in 2009-10 to reduce survey fatigue; therefore, no results are available for 2009-10. In 2011-12, the survey reverted back to an annual schedule due to new reporting requirements.

** Following the October 2012 government restructuring, the Alberta Human Rights Commission was moved from the Ministry of Culture and Community Spirit to Justice. In light of this restructuring, the goal, strategies and performance measures related to the Human Rights Commission, which were identified in the 2011-14 Culture and Community Spirit Business Plan, are reported in Justice's Annual Report.

For more detailed information see the Discussion and Analysis of Results section of the annual report (pages 14-29) and the Performance Measure Methodology section (pages 30-33).

Discussion and Analysis of Results

GOAL 1

Alberta's communities are safe

Safe Communities is widely seen as a successful cross-ministry initiative. Much of this success is based upon the recognition that solutions supporting a safe Alberta require a multi-disciplinary approach. This has been the focus during the last year. This new approach allows the Ministry to more quickly address issues, move resources where needed and foster strong team building skills that draw on the expertise of a wide range of disciplines within our cross-ministry partners.

Alberta's Crime Prevention Framework was announced by the Premier in May 2011. The Framework is Alberta's broad vision for crime prevention and reduction in the province and was developed in collaboration with nine partnering government ministries. The Framework focuses on supporting capacity building in communities and developing crime prevention plans that address local needs. Phased implementation of collaborative cross-ministry initiatives such as the Alberta Gang Reduction Strategy and the Integrated Justice Services Project are continuing under the Framework. In addition, initial indicators to assess and report on the Framework outcomes have been identified.

A three-year progress report highlighting Safe Communities' achievements in implementing the government's response to the 31 recommendations of Alberta's Crime Reduction and Safe Communities Task Force was released in December 2011. Further work related to a number of recommendations will continue under the Framework as SafeCom fulfills its crime prevention mandate.

On June 29, 2011, through the Alberta Gang Reduction Strategy and in partnership with the National Crime Prevention Centre, Mount Royal University and the U.S. Consulate General, Alberta hosted and broadly webcast a presentation by Dr. Gary Slutkin, founder of Chicago CeaseFire – a prominent and proven approach for reducing gang violence.

Alberta Justice's Safe Communities staff, in partnership with stakeholders from a community affected by gang crime and violence, coordinated the delivery of the "Parents on a Mission" train-the-trainer program. The event was very well attended and participants immediately implemented their newly acquired skills through local events.

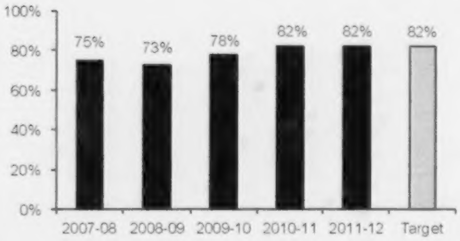
From January 30 to February 1, 2012, leaders from Alberta communities most impacted by gang activity participated in the Alberta Gang Reduction Training Symposium, which brought together more than 200 participants, including 30 practitioners and keynote speakers leading gang reduction programs across Canada and the U.S. A highlight of the three-day symposium was an announcement by the Premier of a $1 million commitment through the Civil Forfeiture Office to encourage and support community-based action to reduce gang crime and violence.

Working with partnering ministries, policing agencies, other partners and stakeholders to implement the Alberta Gang Reduction Strategy to reduce gang activity and related violence in the province, the Ministry developed and implemented the provincial witness security program pursuant to Alberta's *Witness Security Act* and regulations, which came into force on April 1, 2012. Police now have the option to apply either to the Alberta or federal witness protection program depending on what is appropriate in each particular case. Alberta's program will be geared to less complex and shorter-term witness management, whereas the federal program is uniquely suited to address the needs of witnesses requiring long-term protection, identity changes and permanent relocation. This program will provide another tool for the Crown and police by addressing the need for short term, protective security to witnesses giving evidence in prosecutions.

A new Calgary pilot project was announced in February 2012 and provides coordinated social, community and justice services in one location to individuals who have been identified as a high risk to re-offend. The Integrated Justice Services Project builds upon existing resources and successes of the Safe Communities Initiative to improve the efficiency of our criminal justice system by addressing the risk factors related to criminal behaviour. The three-year pilot project will see probation officers, Alberta Health Services staff and other service providers working together to ensure high-risk to re-offend individuals receive intensive probation supervision, addiction treatment services, counselling, and employment and skills supports to reduce their risk to re-offend and become contributing members of the community.

The *Missing Persons Act* was passed in the 2011 legislative session. Developed in partnership with the Calgary Police Service, the Edmonton Police Service, and the RCMP the Act provides access to critical information and allows police to more quickly and efficiently locate missing persons when there is no reason to believe that a crime has been committed. The information collected under the Act is confidential and protected if the former missing person does not want to be contacted.

Public perception of safety in the neighbourhood: *the percentage of Albertans who feel "reasonably safe" or "very safe" walking alone in their area after dark*



Source: Alberta Justice 2011-12 Public Opinion Survey, Resinnova Research Inc. and Alberta Solicitor General and Public Security 2011-12 Public Opinion Survey, Resinnova Research Inc.

Notes:

- For methodology related to this performance measure see page 30.

- In 2011-12, the majority of Albertans (82 per cent) felt "reasonably safe" or "very safe" walking alone in their neighbourhood or area after dark; a nine per cent increase since 2008-09. As in 2010-11, the target of 82 per cent has been achieved. Seventeen per cent indicated they feel "somewhat unsafe" or "very unsafe" walking alone in their neighbourhood or area after dark and one per cent did not respond.
- Higher perceived safety levels were identified among residents in smaller cities in northern or southern Alberta, men, those in households with an annual income of $60,000 or more, and respondents who feel very safe when in their own home after dark.
- Perceptions of safety in the neighbourhood are shaped by a number of factors including citizens' previous victimization experience, media reports of crime, and the experiences of friends and family.

GOAL 2

Fair and Independent Prosecutions

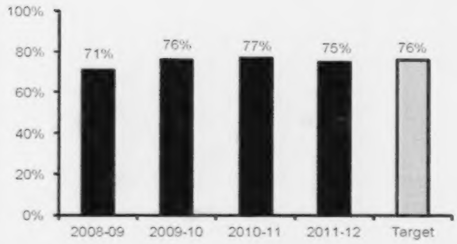
Alberta Justice is committed to creating the Alberta Prosecution Service of the future. The Ministry continued working with law enforcement on a technical approach to improve the management and transmission of digital assets such as video and audio information used in the prosecution process. These improvements are designed to reduce costs and improve efficiencies. Once in place, this initiative will support the digital distribution of these materials from law enforcement to the Crown and then to defence counsel, increasing efficiency and accessibility.

The Criminal Justice Division Organizational Review Phase IV was undertaken to review division structure and staffing to ensure that the most effective structure is in place and resources are allocated appropriately. A resource review was conducted that identified immediate, critical and longer-term resource needs and staffing requirements to fulfill the division's mandate: excellence in prosecutions. A thorough analysis of relevant cross-jurisdictional data, business intelligence data, external trends, environmental influences, impact of the Court Case Management project, and operational issues identified through branch consultations were factored into the assessment.

The Ministry continued to expand the Criminal Justice Division Coaching and Mentorship program where Senior Crown prosecutors were paired with junior and mid-level Crown prosecutors to share their knowledge and skills. The mentoring program has been set up within the Calgary Prosecution Service and covers the first two years of a Crown's career. Edmonton has its own in-house mentoring system and the regional mentoring program will be developed in subsequent years. The Ministry recognizes that mentoring junior prosecutors is essential to the development of an effective prosecution service.

Alberta Justice takes the prevention of miscarriages of justice very seriously. This remains an overarching goal in criminal justice and relates to the fairness of prosecutions. In 2011, a new report on wrongful convictions was published. Entitled "The Path to Justice: Preventing Wrongful Convictions", the report was prepared by a committee of senior justice officials and police officers from across the country, including those from Alberta Justice. This new report is an important update to an earlier report and is an example of the great work being done, with Alberta's active involvement, cooperatively across the country. The new report canvasses the latest information on the most important causes of wrongful convictions, including tunnel vision; eyewitness misidentification; false confessions; use of in-custody informers; and inappropriate use of forensic evidence and expert testimony.

Public Perception of Fairness in the Prosecution Service: *Percentage of Albertans who agree that Alberta Justice provides fair and impartial service to prosecute people charged with a crime*



Source: Alberta Justice 2011-12 Public Opinion Survey, Resinnova Research Inc.

Notes:

- For methodology related to this performance measure see page 30.
- The breakdown of responses as described within the performance measure analysis, represents the actual percentage of respondents who mentioned both categories. When adding together the percentages for two related categories, the total may differ by one percent from the actual percentage who mentioned both categories.

- In 2011-12, the majority of Albertans (75 per cent) agreed (strongly or somewhat) that Alberta Justice provides a fair and impartial service to prosecute people charged with a crime. This represents a two per cent decrease from the previous year and is below the target of 76 per cent. Fifteen per cent disagreed and 11 per cent did not provide an opinion.
- Agreement was higher among respondents who have confidence in Alberta's justice system. Agreement was lower among residents in smaller cities in northern Alberta; those who are widowed, separated or divorced; those who have lived in their current home for six to ten years; those who do not feel safe in their own home or their own neighbourhood after dark; and, those who do not have confidence in Alberta's justice system.
- Those who disagreed that Alberta Justice provides a fair and impartial service to prosecute people charged with a crime were asked why they disagreed. The most common reasons for disagreement were that the penalties are too lenient or that criminals are released on bail to easily, that groups are not treated equally and the punishments do not fit the crimes.

GOAL 3

A fair and accessible civil and criminal justice system for Albertans

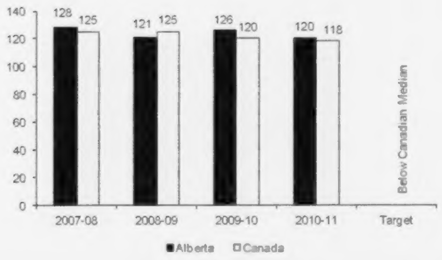
The Ministry continually strives to improve access to Justice in various ways. To resolve legal matters in the justice system, existing options include traditional court processes, specialized court processes (such as domestic violence courts and drug treatment courts) and court-connected programs and services (such as mediation programs and law information centres).
We continue to work on a Resolution Options Policy Framework that provides guiding principles, core values and criteria for integrating and developing programs and services that support courts and specialized courts in a manner that does not impact the independence of the judiciary and is consistent with government policy, business planning goals and strategic priorities. The key benefits of implementing a Resolution Options Policy Framework include a planned, consistent, efficient, coordinated, collaborative and strategic approach for the development, integration and interaction of judge-led resolution options, including Courts and specialized Courts, and programs and services that support Courts and specialized Courts. In turn this may result in increased access to programs and services and support for programs and services.

The Court Case Management Program (CCM) is a judicially-led initiative designed to more effectively manage cases in adult Provincial Criminal Court in Edmonton, Calgary, Wetaskiwin and Okotoks. One of the intended outcomes is to increase public confidence in the justice system and improve access to justice. In addition, this initiative is intended to benefit defence counsel, Crown prosecutors, Criminal Justice staff and Court Services staff. The program has seen the creation of the Case Management Office (CMO), which has allowed criminal matters that did not have to appear in front of a judge to be dealt with in front of a Justice of the Peace at a counter thereby freeing up the courtrooms. This has meant a more efficient use of court time and facilties with judicial resources also being utilized more effectively. The CMO has given members of the general public a far more user-friendly way to deal with their criminal cases. They are able to attend at the CMO early in the morning or on their lunch breaks minimizing the risk to their employment or causing problems with child care. Defence counsel has the flexibility to deal with their matters during a generous timeframe rather than waiting in a courtroom to be called. CCM incorporates innovative approaches to the way court cases are scheduled. New technology has allowed the introduction of Remote Courtroom Scheduling, which is the ability for defence counsel to book matters on-line. They can now book their cases from the comfort of their offices or homes without having to attend at the courthouse. Development is continuing on Court Appearance Scheduling System, the scheduling system for the CMO staff. This system will increase efficiency and decrease the time it presently takes for the CMO staff to book dates.

Impaired Driving remains the leading cause of criminal death in Canada. The Provincial Strategy to Reduce Impaired Driving is a comprehensive program designed to change that tragic fact. Developed over the course of several years, the Strategy draws on proven techniques from around the world. Working closely with our partners in Alberta Transportation, the Solicitor General and Public Security, and police services throughout the province, legislation was developed to implement the strategy. This legislation became Bill 26 and was introduced on November 21, 2011, passed on December 6, 2011, and received Royal Assent on December 8, 2011. Bill 26 uses a combination of administrative sanctions which deter dangerous behaviours, identify high risk offenders and provide the swift, certain and significant penalties that have been proven both nationally and internationally to significantly decrease the incidence of impaired driving. Over time the Provincial Strategy is intended to change Albertans' attitudes toward drinking and driving.

In 2011-12, the Succession Law Project, now in its sixth year, saw the coming into force of the *Wills and Succession Act*. The Act clarifies how wills are made, what happens if there is no will and other aspects of how property transfers on death. The Ministry provided training to lawyers and the courts to assist with the transition to this new legislation. The Succession Law Project will continue in the next few years to reform the law relating to administration of estates to provide the same benefits of clarity and efficiency. On an ongoing basis, the Ministry will work to implement law reforms and ensure legislation is current. Laws should reflect contemporary values and practices; when legislation is clear and relevant, it creates efficiency for individuals and organizations, reduces costs and limits conflict.

Median Elapsed Time from First to Last Appearance: *the midpoint in the number of days it takes to process a case in court from first to last appearance*



Source: Integrated Criminal Court Survey/Adult Criminal Court Survey, Canadian Centre for Justice Statistics

Notes:

- The title of this measure as published in the 2011-14 Alberta Justice Business Plan has been changed from "Provincial Court (Criminal) Median Elapsed Time from First to Last Appearance" to "Median Elapsed Time from First to Last Appearance" to reflect that the reported results include both Provincial Court and Superior Court adult criminal case data.
- 2010-11 results are the most current data available.
- For methodology related to this performance measure see page 31.

- The Ministry must ensure that Albertans are provided with access to the courts in a reasonable amount of time.
- In 2010-11, the median elapsed time from first to last appearance was 120 days for adult cases tried at the Provincial Court of Alberta and the Court of Queen's Bench. This represents an improvement over the 2009-10 result of 126 days; however, is two days over the targeted Canadian median, which was 118 days.
- The decrease in Canada's median elapsed time from 120 days in 2009-10 to 118 days in 2010-11 can be attributed to a decrease in median elapsed time for Ontario, which makes up 39.6 per cent of Canada's caseload.
- Alberta's decrease in median elapsed time can be attributed to a 5.9 per cent decrease in the number of cases from 59,855 in 2009-10 to 56,294 in 2010-11.
- Median elapsed time is affected by various factors including the number of cases, the complexity of cases and police resources.

GOAL 4

Accessible justice services for Albertans

The Justice Services Division was formed in April 2011. It brings together a number of distinct public-facing programs within the Ministry that are client-focused and provide support and protection to Albertans. The new division positions the Ministry to better serve clients, improve access to justice, and increase collaboration to significantly improve the effectiveness and efficiency of these programs for Albertans.

Some of our programs began assessments of their business processes and organizational structures through program, regulatory and technology reviews. The intent is to move toward realigning internal processes, improving information sharing between programs, and providing targeted funding to improve access to services. Our aim is to improve the capacity and quality of services provided by this new division. Following are two examples of this approach:

- Reviews of the Motor Vehicle Accident Claims, Medical Claims, Motor Vehicle Accident Recoveries, and the Abandoned and Seized Vehicles programs have been completed to identify new efficiencies and improvements.

- At the Office of the Public Trustee, as part a major IT initiative, the project team has re-engineered organizational business processes with the goal of improving and automating these processes using new technology.

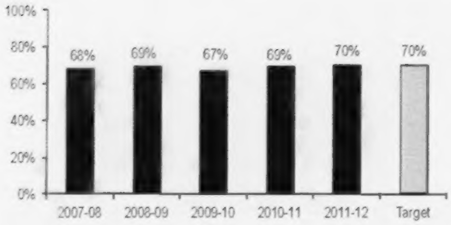
Also, at the Office of the Public Trustee, the Public Trustee Information System Replacement Initiative Project, which is a multi-year project intended to enhance client service through enhanced technology, made significant progress this year. From September 2011 to January 2012 the Public Trustee, working with the contracted supplier, finalized the development approach that best meets the needs of the Public Trustee and its clients. In January 2012, development phase for the replacement solution began. It is anticipated that the project will be completed in late 2013.

Important growth is taking place at the Office of the Chief Medical Examiner. Work has begun on a project to expand and upgrade the Edmonton facility in order to improve efficiency and meet increased demands for forensic pathology in the province. The project is anticipated to be complete by 2014.

Access to justice is also about access to legal services and information about the justice system. Alberta Justice has demonstrated its commitment to access through increased funding to Legal Aid Alberta. The Alberta Government contributes the majority of funding to Legal Aid Alberta through an annual grant, which was increased to $58.8 million for the 2010-11 and 2011-12 fiscal years. This level of funding demonstrates a 10 per cent increase over fiscal year 2009-10 and an 84 per cent increase since 2005.

In addition, the Alberta Law Libraries are participating with other organizations in the formation of the new Alberta Legal Information Society, which will explore ways to improve the delivery of legal information to Albertans.

Maintenance Enforcement Program – Regularity of Payment Rate: *the program's compliance rate on cases enrolled by regular monthly payments*



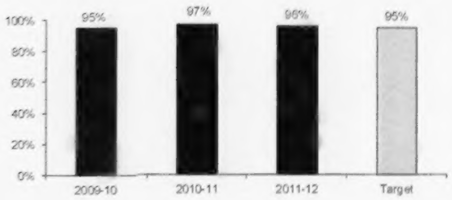
Source: Alberta Justice Administrative Data, the Maintenance Enforcement Program

Notes:

- For methodology related to this performance measure see page 31.

- In 2011-12, the Maintenance Enforcement Program (MEP) achieved the targeted 70 per cent regularity of payment rate. This represents a slight improvement from the previous year's result of 69 per cent. This increase is likely due to the improvement in Alberta's economic circumstances, resulting in Albertans securing more stable and regular employment.
- There is a concerted effort to ensure support payments are paid as they are due. MEP relies on a number of enforcement actions when debtors are in default on their maintenance payments. Enforcement actions include: a writ filed at the Personal Property Registry, Registration Against Real Property, Support Deduction Notices (including wage and non-wage, and federal support deduction notices), Credit Bureau Reporting, Motor Vehicle Restrictions, Driver's Licence Suspensions, Recreational Hunting and Fishing Licence Restrictions, Federal Licence Denials, Financial Examinations, Default Hearings, and Asset Seizure.
- Default penalties and interest charges are applied to files when payments are not made in full and on time. Debtors with outstanding arrears are encouraged to make payment arrangements to avoid further enforcement action, default penalties and interest. Some areas of MEP operate during extended hours so that staff can return client calls when it is convenient to discuss their files outside of regular business hours. A southern Alberta office dedicated to financial examinations and investigations was opened. Efforts are focused on increasing personal contact between staff and clients.

***Law Information Centres:** the percentage of Law Information Centre clients who are satisfied overall with the services provided.*



Source: LInC Client Satisfaction Survey, Court Services Division

Notes:

- For methodology related to this performance measure see page 32.

- In 2011-12, 96 per cent of Law Information Centre (LInC) clients were satisfied overall with the services provided. Although this represents a one per cent decrease from 2010-11, it achieves the target of 95 per cent.
- LInC provides support services to Albertans on their legal matters. Some of the services offered include: helping Albertans learn about general court procedures; helping them locate and complete court forms; helping them to learn about legal advice options and alternatives to court; and, providing referrals to other resources in the community. Centres are located in Edmonton, Calgary, Grande Prairie and Red Deer.
- Since first opening in 2007, LInC has helped more than 328,000 Albertans navigate the legal system by assisting with issues ranging from landlord and tenant disputes, collections, divorce, traffic, civil and criminal matters, as well as appeal and surrogate court matters. The centres are a result of a collaboration between representatives from Alberta Justice, the three courts, the Canadian Bar Association, Legal Aid Alberta, the Legal Services Centre, the Law Society of Alberta, the Canadian Forum on Civil Justice, the Alberta Law Reform Institute, Native Counseling Services of Alberta, and a number of other non-government organizations.

GOAL 5

An innovative, effective and efficient justice system

In 2011-12, The Justice Innovation and Modernization of Services (JIMS) initiative delivered a balance of legacy system replacement, business process improvements, key foundational policies, strategy/design and enabling infrastructure and a revised draft multi-year roadmap for the remaining legacy replacement objectives of JIMS.

Refining the processes and systems in Edmonton and Calgary to manage Crown files (Crown File Ownership) and their disclosure has positioned the Ministry to replace the legacy disclosure system in 2012-13. Crown File Ownership was rolled out to the first two regional centres late this year, which form the model for extension to other regional centres in subsequent years. Detailed planning and preparation for the corresponding rollout of Court Case Management to these same regional centres has been completed, and will be implemented in early 2012-13.

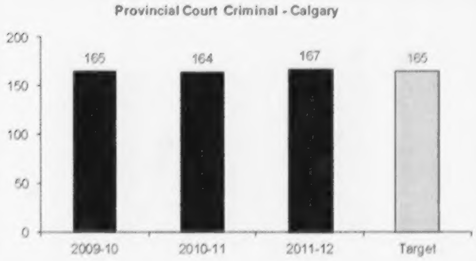
Analysis and design of replacement processes and systems for subpoenas and court appearance scheduling was also completed this year. These services will begin to replace legacy functions within the Justice Online Information Network (JOIN) system in 2012-13.

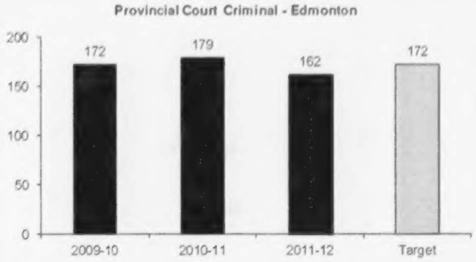
Key foundation work with respect to court information management policy, architecture for legacy renewal and information sharing, and testing and acquisition of technology to shield Justice stakeholders from JOIN replacement activities through brokering of JOIN and new services also occurred this year and will continue into 2012-13.

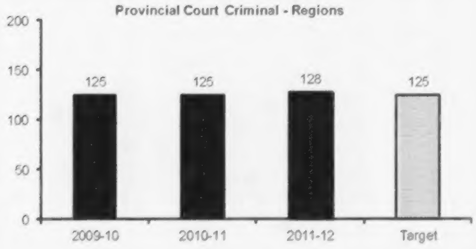
To build upon these successes, an updated draft multi-year roadmap was prepared as a basis for sharpening the Courts and Ministry focus on the objectives of replacement of core legacy systems outlined in the initial JIMS business case. This roadmap will be refined in early 2012-13 and will be the basis for initiative governance, plans and delivery of outcomes for the next few years.

A more corporate approach to developing strategic policy has been identified as a need of Alberta Justice. The benefits of an integrated approach to corporate policy development was demonstrated through the work of the Justice Policy Committee, including the drafting of a department-wide research/information request policy for Executive Management consideration to enhance consistency in decision-making, save time and reduce the risk of information being improperly released.

Provincial Court (Criminal) Time to Case Disposition: *The mid-point in the number of days in processing cases from the date the charge is laid to disposition*







Source: Administrative data, Court Services Division

Notes:

- For methodology related to this performance measure see page 32.

- In 2011-12, the mid-point in the number of days to process cases from the date a charge was laid to disposition was 167 days in Calgary, 162 days in Edmonton and 128 days in the regional courts.
- The Time to Disposition performance measure was designed to provide a direct measure of case processing efficiency in Calgary and Edmonton Provincial Court (Criminal) as a result of implementing the Court Case Management Project (CCM), which began in February 2010.
- With CCM operating in Edmonton and Calgary, Edmonton's median time to disposition exceeded the target of 172 days by 10 days. Calgary's median time to disposition fell short of the targeted 165 days by two days. Regional courts were not part of the CCM program in 2011-12. Regional courts median time to disposition fell short of the targeted 125 days by three days.
- The Ministry's influence on time to disposition performance is mainly based on the courtrooms available and the Crown and clerk resources it can provide. However, the Provincial Court has jurisdiction over assigning judges to courtrooms, and responsibility for, the scheduling and disposition of matters within the Provincial Court. This includes the volume of cases which may be scheduled into any individual courtroom as well as the types of hearings that are scheduled.

GOAL 6

Strategic legal advice and counsel to government to achieve Government of Alberta outcomes

Justice actively participated in numerous government priority initiatives during 2011-12, including the Procurement Re-engineering Initiative, the Regulatory Enhancement Project and the Alberta Supports Initiative. Services provided include the provision of legal and related strategic advice, the development and delivery of client and lawyer training sessions, template development, and legislative drafting services.

In its third year, Legal Services Division staff development program continued to expand delivery to meet the needs of divisional staff. Other initiatives that will support the legal services provided to government are under development, including initiatives related to staff mobility within the Division and supporting our communities of practice.

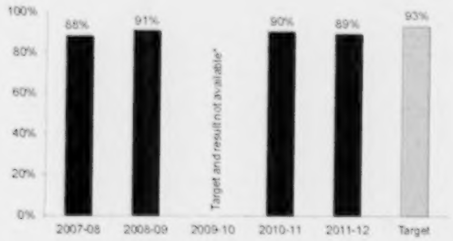
Justice has been actively involved in all federal/provincial/territorial groups dealing with criminal law reform. Working together with all other jurisdictions, proposals were developed to strengthen the *Criminal Code* to enhance our ability to prosecute serious and violent crime, and to better protect children and other vulnerable individuals. Many of these proposals have been enacted in law this year, including procedural reforms for long and complex trials, new offences to better protect children from sexual predators and to ensure appropriate sentences for those who sexually abuse children. In addition, several important reforms to the *Youth Criminal Justice Act* have been passed to better enable courts to deal with youth who pose a significant risk to the community.

Justice was also involved in other reforms currently before Parliament, including sentencing changes to better protect seniors and changes to the self defence provisions of the *Criminal Code* to simplify and streamline these provisions.

Also in 2011-12, Justice has participated in the Uniform Law Conference of Canada (ULCC). The Civil Section of the ULCC considers areas in which provincial and territorial laws would benefit from harmonization. The main work of the Civil Section is reflected in “uniform statutes,” which are recommended for enactment. Reports and uniform drafts from the Civil Law Section have formed the basis of Alberta legislation in the past, such as the *Electronic Transactions Act*, the *Class Proceedings Act*, the *Personal Property Security Act* and the *International Interest in Mobile Equipment Act*. Over the past year, the matters considered by the ULCC have included Voter Residency Issues, Commercial Tenancies, *Interprovincial Subpoena Act* Amendments, a *Uniform Trustee Act*, Transactions at Undervalue and Preferential Transfers, Informal Public Appeals and Foreign Protection Orders.

Justice is also actively involved in the Coordinating Committee of Senior Officials (CCSO) – Family Law. This is a federal/provincial/territorial committee that coordinates the review of a variety of family law issues. Legal Services, the Maintenance Enforcement Program, and Court Services each have a seat on the CCSO committee. Alberta participates on the Child Support Working Group, which recommended amendments to the tables of the Federal Child Support Guidelines. The Access Compliance Working Group has been following up on the recommendations of their Facilitating Access Report. Other Working Groups that Alberta Justice is involved in include: the Child Support Recalculation Program Working Group, Parenting and Contact Enforcement and Jurisdiction Working Group and the 2007 Hague Maintenance Convention Working Group.

Client Satisfaction with Legal Services: *the percentage of clients from Government of Alberta ministries who are "satisfied" or "very satisfied" with the legal services provided by the Legal Services Division, Civil Law*



Source: Client Satisfaction Survey, Legal Services Division

Notes:

- * A biennial survey schedule was adopted in 2009-10 to reduce survey fatigue; therefore, no results are available for 2009-10.
- For methodology related to this performance measure see page 32.

- The results of this survey assist Alberta Justice in assessing success in delivering effective legal services to government.
- In 2011-12, 89 per cent of clients surveyed responded that they were "satisfied' or "very satisfied" with the legal services provided by Legal Services Division, Civil Law. This result represents a one per cent decrease from the previous year and does not meet the target of 93 per cent.
- The results for this measure have been relatively stable over time.
- The one per cent decrease observed over each of the past two years may be a result of the hiring restrictions that were in place across the Government of Alberta, as client feedback indicated that the Legal Services Division is under resourced. Insufficient resourcing impacts the Ministry's ability to provide timely services.

ALBERTA HUMAN RIGHTS COMMISSION

Albertans participate in the social, economic and cultural life of the province without discrimination

On October 12, 2011, as part of a new government structure announced by the Premier, the responsibility for the *Alberta Human Rights Act*, including the Alberta Human Rights Commission (AHRC) and the Human Rights Education and Multiculturalism Fund (Human Rights Fund) was transferred from Alberta Culture and Community Spirit to Alberta Justice and Attorney General.

The *Alberta Human Rights Act* establishes the Alberta Human Rights Commission as an independent body that reports through the Minister of Justice. The Commission has a two-fold mandate: to foster equality and to reduce discrimination. This mandate is fulfilled through the resolution of human rights complaints made under the Act and through public education initiatives.

The Commission consists of three separate and distinct parts, all reporting to the Chief of the Commission and Tribunals:

- Director and human rights officers, who resolve and settle human rights complaints through mediation between the parties;
- Human Rights Tribunals which mediate, hear and decide human rights complaints that are not settled by the Commission's Director and staff; and
- Education and Engagement strategies and initiatives, including the Human Rights Fund.

As in previous years, in 2011-12, the majority of files were closed during the Commission's complaint resolution process by human rights officers and legal services. The focus of the work of the Director and human rights officers in 2011-12 was on building on existing strategies and piloting new approaches to streamline complaint processes. Strategies included: repositioning experienced human rights officers at the front end of the process to encourage early resolution of complaints; securing additional experienced lawyers and mediators to assist with the caseload; the use of "mini-investigations" to shorten the time frame at the investigation stage; using more in-depth screening procedures to direct complaints to either a hearing or a dismissal process without the need for an investigation; and continuing the exercise of discretion by the Director pursuant to the Act, to refuse to accept complaints or hold complaints pending the outcome of another forum's proceeding.

The tribunal continued the development of a tribunal dispute resolution process (TDR), which was introduced in 2010-11, and which has proven to be a successful strategy for resolving complaints through mediation rather than through adjudication at a tribunal hearing. In TDR, a tribunal member who is not hearing the case attempts to mediate or settle the case prior to a tribunal hearing. Almost 85% of cases referred to tribunal in 2011-12 were successfully resolved through this process, avoiding a more expensive tribunal hearing. The Commission also strengthened its ability to provide Albertans with current information about human rights tribunal decisions by completing the transfer of its tribunal decisions from albertahumanrights.ab.ca to the Canadian Legal Information Institute searchable online database.

The Commission, in partnership with the Government of Alberta and the Canadian Association of Statutory and Human Rights Agencies, organized and hosted the 2011 annual national conference of the Canadian Association of Statutory Human Rights Agencies in Calgary from June 13 to 15, 2011. This conference, which received support from foundations, government, community organizations, professional associations and businesses, was a major undertaking for the Commission in 2011-12. The sold-out conference provided a record breaking number of almost 400 delegates and speakers from all sectors with an educational forum related to human rights, diversity and inclusion in Canada. The conference provided important information and discussion about current human rights case law, systems, complaint resolution and adjudication and education and engagement strategies in Canada.

The Commission worked with the Alberta Hate Crimes Committee and their partners to develop long-term strategies to prevent hate crime and promote local anti-hate coalitions, supported annual Hate Crime Awareness Day events across the province and provided advice on various anti-hate initiatives undertaken by Alberta municipalities. The Human Rights Education and Multiculturalism Fund (which is administered by the Commission) supported the development of a tool kit, *Beyond Hate: A resource toolkit building a community response plan to counter hate*, to help communities respond to hate crimes.

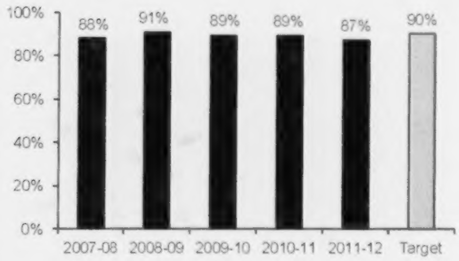
The Commission continued to partner with the Alberta Urban Municipalities Association to build a network of Alberta communities involved in the association's Welcoming and Inclusive Communities initiative and in the Canadian Coalition of Municipalities Against Racism. The Commission engaged with Alberta communities during 2011-12 through events related to the Welcoming and Inclusive Communities initiative and the coalition. By the end of March 2012, three new communities had joined the coalition, bringing the number of Alberta signatories to 13.

The Commission continued to provide human rights education workshops throughout the province, mainly on the topic of human rights in the workplace. The Commission also reached out to Albertans and raised public awareness of its programs and services through attendance at events across the province with its display of publications and resources. The Commission partnered with Alberta Aboriginal groups to pilot engagement strategies with Aboriginal communities to strengthen their understanding of and access to rights under provincial human rights legislation. In 2011-12, the Commission developed a brochure titled Aboriginal People and the *Alberta Human Rights Act* to raise awareness in the Aboriginal community in Alberta about the programs and services of the Commission and the purpose of the *Alberta Human Rights Act*.

The Human Rights Education and Multiculturalism Education Fund supported a wide variety of educational initiatives undertaken by the Commission as well as various community organizations. In 2011-12, approximately $1 million was provided through grants to support community initiatives. Communities that received funding included Aboriginal communities, youth, new Canadians and persons with disabilities.

A number of appointments were made to the Commission in 2011-12, including the re-appointment of The Honourable David Blair Mason, Q.C. as a member of the Commission and his re-designated Chief of the Commission and Tribunals for a term to expire on December 31, 2012.

Public Perception of Protection of Human Rights in Alberta: *Percentage of adult Albertans who believe human rights are well protected in Alberta*



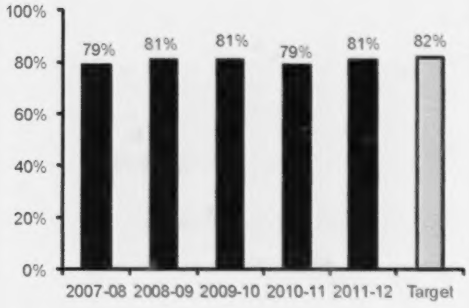
Source: 2011-12 Survey of Albertans on Human Rights and Diversity, Alberta Human Rights Commission

Notes:

- For methodology related to this performance measure see page 33.

- In 2011-12, 87 per cent of Albertans felt their human rights were "fairly well protected" or "very well protected" in the province of Alberta. This result is down two per cent from 2010-11 and is three per cent below target.
- While the Alberta Human Rights Commission strives to foster equality and reduce discrimination through public education initiatives, a number of factors can have an impact on the results. These include media coverage of human rights issues or events (both within and outside Alberta), and particularly of legislative matters or complaints involving human rights. Respondents' knowledge of Alberta's human rights legislation, their demographic characteristics and their personal experiences can also impact how well they feel human rights are protected in Alberta.

Public Perception of Workplaces Free of Discrimination: *Percentage of adult Albertans who believe their current or last place of work in Alberta is free of discrimination*



Source: 2011-12 Survey of Albertans on Human Rights and Diversity, Alberta Human Rights Commission

Notes:

- For methodology related to this performance measure see page 33.

- In 2011-12, 81 per cent of Albertans believed their current or last place of work in Alberta was free of discrimination. While this result is one percent below target, it represents an increase of two per cent over the previous year's result.
- Individuals' perceptions of discrimination in the workplace can be influenced by the extent to which they feel they have been discriminated against in general.
- The Alberta Human Rights Commission provides numerous resources and tools for employers, including public and customized workshops on specific topics, educational publications, and interpretive bulletins. By telephone or in person, the Commission also provides information on a confidential basis, free of charge, to anyone who wants to know more about rights and responsibilities under Alberta's human rights legislation, would like to find ways to foster equality and reduce discrimination or believes they may have experienced discrimination.

Performance Measure Methodology

Public Perception of Safety in the Neighbourhood

Source: Alberta Justice 2011-12 Public Opinion Survey and Alberta Solicitor General and Public Security 2011-12 Public Opinion Survey

A public opinion telephone survey has been conducted on an annual basis on behalf of Alberta Justice and Solicitor General and Public Security since 1996. Historically, a joint survey has been conducted by the ministries, but in 2009, the two ministries began conducting public opinion surveys independent of one another. The survey questions used to measure public perception of safety in the home and in the neighbourhood were asked in both ministries' surveys. Alberta Justice used a sample size of 750 (as has been used in the past), while Solicitor General and Public Security used a sample size of 1,200. The two samples were mutually exclusive, i.e., no respondents completed the survey more than once. The sample size for this question, therefore, was 1,950 when the results of both surveys were combined.

From December 2011 through February 2012, professionally trained interviewers conducted all interviews from a central telephone facility. The surveys were completed on a computer-assisted telephone interviewing system that allows for ongoing tabulation of results. Ten per cent of all interviews were monitored online. To survey a random and representative sample of adult Albertans, quotas were established based on 2006 Census data from Statistics Canada. In each of six geographic regions of the province, the number of interviews in each age-gender segment was proportionate to their 2006 population estimates. The response rate for the two surveys combined was 40 per cent and results are considered reliable within ±2.2 per cent, at the 95 per cent confidence level.

This measure is also included in *Measuring Up 2011-12* under Goal 3. Data for this measure for years 2009-10, 2010-11 and 2011-12 were audited by the Auditor General as indicated in the Measuring Up Auditor's Report.

Public Perception of Fairness in the Prosecution Service

Source: Alberta Justice 2011-12 Public Opinion Survey

A public opinion telephone survey is conducted on an annual basis. The 2011-12 survey was conducted in December 2011. Professionally trained interviewers conducted all interviews from a central telephone facility. The survey is completed on a computer-assisted telephone interviewing system that allows for ongoing tabulation of results. The 2011-12 sample size for these survey questions was 750. To survey a random and representative sample of adult Albertans, quotas were established based on Statistics Canada's 2006 Census data. In each of the six geographic regions of the province, the number of interviews in each age-gender segment was proportionate to their 2006 population estimates. Results are reliable within ±3.6 per cent at the 95 per cent confidence level.

Median Elapsed Time from First to Last Appearance

Source: Integrated Criminal Court Survey/Adult Criminal Court Survey, Canadian Centre for Justice Statistics

Median elapsed time from first to last appearance represents the mid-point in elapsed time between first and last appearance for all adult criminal cases processed in Provincial and Superior Court. In Alberta this is the Provincial Court of Alberta and the Court of Queen's Bench.

Performance data for median elapsed time from first to last appearance is obtained from the Integrated Criminal Court Survey/Adult Criminal Court Survey, Canadian Centre for Justice Statistics (CCJS). The Ministry provides annual data from the Justice Online Information Network to CCJS' Integrated Criminal Court/ Adult Criminal Court Survey through an automated interface. At CCJS, the data are edited, verified and signed off with the Ministry. Information from Manitoba, superior courts in Prince Edward Island, Quebec, Ontario, and Saskatchewan, as well as municipal courts in Quebec, is excluded due to the unavailability of data.

The title of this measure as published in the 2011-14 Alberta Justice Business Plan has been changed from "Provincial Court (Criminal) Median Elapsed Time from First to Last Appearance" to "Median Elapsed Time from First to Last Appearance" to reflect that the reported results include both Provincial Court and Superior Court adult criminal case data. This amended title is consistent with previous Ministry business plans and annual reports.

A methodology change was introduced by CCJS in 2007-08, which delayed the publication of further results until 2009-10. Therefore, results published in Alberta Justice annual reports prior to 2009-10 are not comparable to results published in the 2011-12 Alberta Justice annual report.

Results for 2010-11 are based on the most current CCJS data available.

Results published in the 2009-10 and 2010-11 Alberta Justice annual reports have been restated to account for cases that were pending at the end of the reference period, had no subsequent activity for a full year and were therefore deemed closed, as per the CCJS published methodology.

Maintenance Enforcement Program – Regularity of Payment Rate

Source: Alberta Justice Administrative Data, Maintenance Enforcement Program

Terms of court orders are entered into the automated Maintenance Information Management System (MIMS). Support payments that are due each month are then calculated by MIMS. Payments received are also entered into the system and calculated monthly by MIMS. This measure shows the amount of regular maintenance collected as a percentage of the regular maintenance due. The result is calculated on a monthly basis by dividing the amount of regular maintenance collected in a month by the amount of regular maintenance due in that month. The result is presented monthly to program management as an administrative tool and aggregated into an annual figure to provide the result for the year. The annual result is an average of the monthly results.

Law Information Centres

Source: LInC Client Satisfaction Survey, Court Services Division

This is the percentage of Law Information Centre (LInC) Exit Survey respondents who "strongly agree" or "somewhat agree" that LInC helped them understand the process better. The LInC Client Survey was developed and implemented in March 2009. The survey asks clients about their level of satisfaction with the services they received from LInC.

LInC clients who received 15 minutes or more of service in person or over the phone were encouraged to complete the survey following the end of their session. Clients whose e-mails required 15 minutes or more to research and write a response were invited to participate in the survey. Clients were provided with access to the online survey at the centres (via public computers) or were provided a URL to access the survey online.

The survey was conducted between September and November 2011. During this time the survey was available at all of the centres (Calgary, Edmonton, Grande Prairie, and Red Deer) and there were 3,915 LInC clients who received more than 15 minutes of service. The exit survey was accessed by 1,116 individuals, and fully completed by 1,100 respondents; a response rate of 28.1 per cent.

Provincial Court (Criminal) Time to Case Disposition

Source: Administrative Data, Court Services Division

Time to Disposition is the median time elapsed of the entire lifecycle of a case and is used to assess the length of time, which includes time on warrant, it takes criminal court to process cases. All concluded cases where the disposition dates fall within the reporting period are used in this calculation. Median (middle value in a distribution of numbers) is used rather than average to decrease the impact of outliers that distort averaging results. Half of the values will be above this point, half will be below.

The 2010-11 Justice Annual Report and 2010-13 Justice Business Plan included a performance measure titled "Time to Disposition". This historical measure reported based on a different methodology, which utilized Canadian Centre for Justice Statistics (CCJS) data; therefore, time to disposition results reported in the 2011-12 Justice Annual Report are not comparable to historical results published in previous annual reports and business plans.

In the 2012-15 Justice Business Plan, the methodology for this performance measure has changed to exclude "time on warrant" because neither the court nor the Crown has control of cases which have time on warrant.

Client Satisfaction with Legal Services

Source: Client Satisfaction Survey, Legal Services Division

Client satisfaction with legal services is measured by an internally administered client survey. In 2009-10, the survey was conducted every second year to reduce survey fatigue, but reverted back to an annual survey in 2011-12 due to new reporting requirements. This explains the lack of results in 2009-10.

In 2011-12, a random sample of 1,377 clients was chosen from the total population of 2,691. Out of the 1,377 surveys sent out, 546 responses were received, for a response rate of 39.7 per cent. Based on this response, overall survey results are precise within ±3.7 per cent at the 95 per cent confidence level and ±4.9 per cent at the 99 per cent confidence level. Seventeen questions in the survey asked respondents to rate their level of satisfaction with services received. The satisfaction scale provided for these questions was comprised of five levels of satisfaction with one representing "very dissatisfied" and five representing "very satisfied". The 2011-12 survey was conducted online, the same way the 2007-08, 2008-09 and 2010-11 surveys were conducted.

Public Perception of Protection of Protection of Human Rights in Alberta and Public Perception of Workplaces Free of Discrimination

Source: 2011-12 Survey of Albertans on Human Rights and Diversity, Alberta Human Rights Commission

The Survey of Albertans on Human Rights and Diversity is an annual province-wide telephone survey of 1,000 adult Albertans. The 2011-12 survey was conducted in February 2012. Professionally trained interviewers conducted all interviews from a central telephone facility. The survey is completed on a computer-assisted telephone interviewing system that allows for ongoing tabulation of results. Ten per cent of all interviews were monitored online. To survey a random and representative sample of adult Albertans, quotas were established based on Statistics Canada's 2006 Census data. In each of the six geographic regions of the province, the number of interviews in each age-gender segment was proportionate to their 2006 population estimates. Results are reliable within ±3.1 per cent at the 95 per cent confidence level.

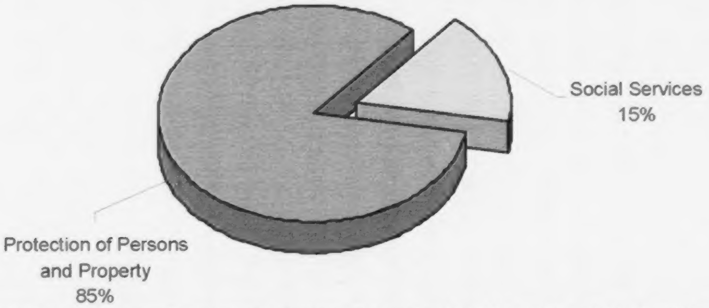
Ministry Expense by Function
(in thousands)

	2011-12 Budget	2011-12 Actual	2010-11 Actual
Protection of Persons and Property	410,210	434,407	410,728
Social Services	85,497	77,602	80,313
Total Expense by Function	**$ 495,707**	**$ 512,009**	**$ 491,041**

Protection of Persons and Property
Includes expenses for services provided to ensure the security of persons and property through the courts, regulatory measures and other protection of persons and property. This function includes Court Services, Legal Services, Criminal Justice, Safe Communities, Maintenance Enforcement Program, Public Trustee, Medical Examiner, Alberta Human Rights and Ministry Support Services Programs.

Social Services
Covers actions taken by the government either alone or in cooperation with Albertans, to offset or to forestall situations when the well-being of individuals or families is threatened by circumstances beyond their control. This includes the provision of legal aid and motor vehicle accident claims.

2011-12 Actual Expense by Function ($512 million)



The Justice and Attorney General's overall expenses were $512 million, $16.3 million more than the approved budget of $495.7 million. In 2011-12, the Ministry's spending increased due to additional grants issued to Safe Communities and higher costs for negotiated salary settlements and judicial compensation. A supplementary estimate was approved for the Ministry in 2011-12 primarily to cover the increased costs of the judicial compensation.

The Ministry achieved cost savings in 2011-12 mainly due to vacancies, reduced discretionary spending and under expenditures in contracts for legal services and information technology initiatives (the Justice Innovation and Modernization of Services initiative or JIMS). These cost savings partially offset the higher spending reported by the Ministry in 2011-12.

Spending increased from the previous year by $21 million primarily due to higher costs for judicial compensation and negotiated salary increases.

Financial Information

Ministry of Justice

Financial Statements

March 31, 2012

MINISTRY OF JUSTICE

Consolidated Financial Statements

Year Ended March 31, 2012

Independent Auditor's Report

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AUDITOR
GENERAL
Alberta

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Justice which comprise the consolidated statement of financial position as at March 31, 2012, and the consolidated statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Ministry of Justice as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 28, 2012

Edmonton, Alberta

MINISTRY OF JUSTICE
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended March 31, 2012

	2012		2011
	Budget	Actual	Actual (Restated Note 3)
	(Schedule 4)	*(in thousands)*	
Revenues (Schedule 1)			
Transfers from the Government of Canada	$ 13,179	$ 13,444	$ 13,628
Investment Income	672	411	289
Premiums, Fees and Licences	43,166	40,474	40,657
Other Revenue	118,548	132,180	114,411
	175,565	186,509	168,985
Expenses – Directly Incurred (Note 2(c) and Schedule 6)			
Program (Schedule 3)			
Ministry Support Services	24,117	20,764	20,655
Court Services	184,081	213,959	189,109
Legal Services	45,814	40,037	36,900
Criminal Justice	79,719	81,800	80,195
Safe Communities	18,673	22,419	31,185
Support for Legal Aid	58,810	58,810	58,810
Maintenance Enforcement	22,737	21,307	20,480
Public Trustee	15,275	15,958	14,863
Medical Examiner	12,227	10,842	10,043
Alberta Human Rights	7,567	7,321	7,298
Motor Vehicle Accident Claims	26,687	18,792	21,503
	495,707	512,009	491,041
Net Operating Results	$ (320,142)	$ (325,500)	$ (322,056)

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF JUSTICE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2012

	2012	2011 (Restated Note 3)
	(in thousands)	
Assets		
Cash and Cash Equivalents (Note 4)	$ 12,522	$ 8,762
Accounts Receivable (Note 5)	95,888	95,235
Advances	26	27
Prepaid Expenses	-	5
Tangible Capital Assets (Note 6)	10,932	16,868
	$ 119,368	$ 120,897
Liabilities		
Accounts Payable and Accrued Liabilities	$ 132,963	$ 136,155
Unearned Revenue	1,501	2,005
	134,464	138,160
Net Liabilities		
Net Liabilities at Beginning of Year	(17,263)	(1,229)
Net Operating Results	(325,500)	(322,056)
Net Financing Provided from General Revenues	327,667	306,022
Net Liabilities at End of Year	(15,095)	(17,263)
	$ 119,368	$ 120,897

Contractual obligations and contingent liabilities (Notes 7 and 8)

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF JUSTICE
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended March 31, 2012

	2012	2011 (Restated Note 3)
	(in thousands)	
Operating Transactions		
Net Operating Results	$ (325,500)	$ (322,056)
Non-cash items included in Net Operating Results		
Amortization	8,091	8,140
	(317,409)	(313,916)
Increase in Accounts Receivable	(653)	(2,891)
Decrease (Increase) in Advances	1	(2)
Decrease (Increase) in Prepaid Expenses	5	(5)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(3,192)	12,126
(Decrease) Increase in Unearned Revenue	(504)	536
Cash Applied to Operating Transactions	(321,752)	(304,152)
Capital Transactions		
Acquisition of Tangible Capital Assets	(2,155)	(1,517)
Transfer of Tangible Capital Assets from Other Ministry	-	(3,555)
Cash Applied to Capital Transactions	(2,155)	(5,072)
Financing Transactions		
Net Financing Provided from General Revenues	327,667	306,022
Cash Provided by Financing Transactions	327,667	306,022
Increase (Decrease) in Cash and Cash Equivalents	3,760	(3,202)
Cash and Cash Equivalents at Beginning of Year	8,762	11,964
Cash and Cash Equivalents at End of Year	$ 12,522	$ 8,762

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF JUSTICE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Authority and Purpose

The Minister of Justice and Attorney General has, by the *Government Organization Act* and its regulations, been designated responsible for various acts. To fulfill these responsibilities, the Minister of Justice and Attorney General administers the organizations listed below. The authority under which each organization operates is also listed. Together, these organizations form the Ministry of Justice.

Organization	**Authority**
Department of Justice	*Government Organization Act*
Human Rights Education and Multiculturalism Fund	*Alberta Human Rights Act*

The Ministry's purpose is to serve Albertans by promoting safe communities, by ensuring access to the courts and other methods of dispute resolution, by providing legal and related strategic services to the Government of Alberta, by protecting human rights, promoting fairness and access, and supporting the inclusion of all Albertans and by communicating with Albertans about the administration of justice.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Ministry of Justice for which the Minister of Justice and Attorney General is accountable. These financial statements include the activities of the Department of Justice and the Human Rights Education and Multiculturalism Fund (a provincial agency).

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing Provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Consolidation

The accounts of the Department of Justice and the Human Rights Education and Multiculturalism Fund have been consolidated after adjusting them to a basis consistent with the accounting policies described below. Revenue and expense transactions, investing and financing transactions and related asset and liability accounts between these consolidated organizations are eliminated upon consolidation.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Cont'd)

(c) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting except for payments on Motor Vehicle Accident Claims judgment debts and Maintenance Enforcement fees, penalties and subrogated revenues, which are recorded when received. Revenues for Motor Vehicle Accident Claims fees are reported when the service has been rendered. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Transfers from the Government of Canada

Transfers from the Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria, if any, are met and a reasonable estimate of the amounts can be made.

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the Ministry may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Ministry's credit or recovery initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs, which are the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and indemnities.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Cont'd)

(c) Basis of Financial Reporting (Cont'd)

Grants are recognized as expenses when authorized, eligibility criteria and conditions, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Ministry operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Cont'd)

(c) Basis of Financial Reporting (Cont'd)

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

Included in accounts receivable, recorded as $95,888 in these consolidated financial statements, are fines of $58,287 (2011 - $56,381) that are subject to measurement uncertainty. Accounts receivable excludes certain outstanding federal statute and provincial statute fines that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the fine. Outstanding fines expected to be satisfied by other means of $6,278 (2011 - $8,380) are based on the actual percentage satisfied in this manner from April 1, 2011 to March 31, 2012 and have been deducted from total outstanding fines. Changes in the proportion of fines satisfied by other means may have a material effect on future operating results.

The allowance for doubtful accounts, recorded as $8,351 (2011 - $9,467) in these financial statements, is based on the actual percentage of fines written off from April 1, 2011 to March 31, 2012 and the assumption that the total receivable for Abandoned and Seized Vehicles as of March 31, 2012 will not be collected.

Accounts payable and accrued liabilities, recorded as $132,963 in these consolidated financial statements, is subject to measurement uncertainty. Accrued liabilities include an estimate of $52,828 (2011 - $58,981) for unsettled claims under the Motor Vehicle Accident Claims program based on a calculated settlement value per claim. Changes to the settlement value may have a material effect on future operating results (Note 9).

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, advances, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Note 3 Government Reorganization

(in thousands)

As a result of restructuring of government ministries announced on October 12, 2011 and other transfer of responsibilities to and from other Ministries, the Ministry of Justice was assigned the Alberta Human Rights program. Comparatives for 2011 have been restated as if the Alberta Human Rights program had always been assigned to the Ministry of Justice. Net liabilities on March 31, 2010 are made up as follows:

Net liabilities as previously reported	$(3,537)
Transfer from the Ministry of Culture and Community Services	2,308
Net liabilities at March 31, 2010	$(1,229)

Note 4 Cash and Cash Equivalents

Cash consists of demand deposits in the Consolidated Cash Investment Trust Fund (CCITF). The CCITF is managed by the Ministry of Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2012, securities held by the CCITF have a time-weighted return of 1.3% per annum (2011 – 1.1% per annum).

Note 5 Accounts Receivable

(in thousands)

	2012			2011
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value (Restated)
Government of Canada	$ 4,686	$ -	$ 4,686	$ 7,694
Fines - Provincial	22,309	1,846	20,463	20,205
Fines - Federal	18,413	1,239	17,174	15,343
Ticket Processing	17,565	831	16,734	16,474
Fines – Late Payment Penalty	20,875	1,783	19,092	18,688
Other	20,391	2,652	17,739	16,831
	$ 104,239	$ 8,351	$ 95,888	$ 95,235

Accounts receivable are unsecured and non-interest bearing.

Note 6 Tangible Capital Assets

(in thousands)

	Equipment[1]	Computer Hardware and Software	2012 Total	2011 Total (Restated)
Estimated Useful Life	10 years	5 – 10 years		
Historical Cost[2]				
Beginning of year	$ 9,617	$ 53,111	$ 62,728	$ 57,749
Additions	211	1,944	2,155	1,517
Transfer-in	-	-	-	3,555
Disposals	(10)	-	(10)	(93)
	$ 9,818	$ 55,055	$ 64,873	$ 62,728
Accumulated Amortization				
Beginning of year	6,300	39,560	45,860	37,813
Amortization expense	752	7,339	8,091	8,140
Effect of disposals	(10)	-	(10)	(93)
	$ 7,042	$ 46,899	$ 53,941	$ 45,860
Net Book Value at March 31, 2012	$ 2,776	$ 8,156	$ 10,932	
Net Book Value at March 31, 2011	$ 3,317	$ 13,551	$	$ 16,868

(1) Equipment includes office equipment and furniture, and other equipment.

(2) Historical cost includes work-in-progress at March 31, 2012 totaling $666 comprised of computer hardware and software.

Excluded from the Ministry's computer hardware and software at March 31, 2012 is $2,888 for the Justice Innovation & Modernization (JIMS) initiative. These costs are recorded in the Ministry of Service Alberta's financial statements as work-in-progress at March 31, 2012.

Note 7 Contractual Obligations

(in thousands)

Contractual Obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2012	2011 (Restated)
Obligations under operating leases, contracts and programs	$ 33,732	$ 36,450

Note 7 Contractual Obligations (Cont'd)

(in thousands)

Estimated payment requirements for each of the next five years are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2012-13	23,145
2013-14	6,862
2014-15	1,552
2015-16	1,496
2016-17	677
	$ 33,732

Note 8 Contingent Liabilities

(in thousands)

At March 31, 2012, the Ministry is a defendant in forty legal claims (2011 – twenty five legal claims). Thirty six of these claims have specified amounts totaling $965,198 and the remaining four have no specified amount (2011 – seventeen claims with a specified amount of $943,524 and eight with no specified amount). Included in the total legal claims are twenty one claims totaling $936,017 (2011 - eight claims totaling $918,697) in which the Ministry has been jointly named with other entities. Thirty one claims totaling $959,138 (2011 – thirteen claims totaling $927,019) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Based on the *Public Trustee Act*, the amount outstanding on a client's guaranteed account as administered by the Office of the Public Trustee (OPT) is a charge against the Common Fund Assets of the OPT and is unconditionally guaranteed by the Crown. As at March 31, 2012, based on the financial statements of OPT, the outstanding balance of the Client Guaranteed Accounts is $403,195 (2011 - $390,192).

Within the provision of the *Public Trustee Act*, the Office of the Public Trustee remits unclaimed estate monies, which is reported as general revenue of the Ministry. If entitled beneficiaries are subsequently located, previously unclaimed estate monies are distributed to the beneficiaries.

Note 9 Motor Vehicle Accident Claims Program

(in thousands)

Personal Injury Settlements

The Motor Vehicle Accident Claims Program is a publicly administered program that pays for judgments arising from motor vehicle accidents involving uninsured or unidentified vehicles in Alberta. The program operates under the authority of the *Motor Vehicle Accident Claims Act*. At March 31, 2012, there were one thousand three hundred and thirty two (2011 - one thousand four hundred and seventy three) unsettled motor vehicle accident claims under this program amounting to $158,745 (2011 - $169,493). Of the unsettled claims, it was estimated that approximately $52,828 (2010 - $58,981) may arise from court ordered judgments and has been recorded as a liability.

The *Motor Vehicle Accident Claims Act* states that in order for claimants involved in motor vehicle accidents with uninsured or unidentified vehicles to be entitled to compensation, the Minister of Justice must receive a court judgment. In accordance with the Act, liabilities for personal injury claims are accrued when a court ordered judgment is received. Liabilities for motor vehicle accident claims amounting to $998 at March 31, 2012 (2011 - $774) are included in the total claim expenditures of $24,839 (2011 - $22,075) acquired to support the operations of the Motor Vehicle Accident Claims Program.

Supplementary Medical and Rehabilitation Expenses

The estimated liability for supplementary medical and rehabilitation expenses on approved applications filed up to March 31, 2012, is $4,225 (2011 - $4,452) and has been recorded as a liability. As at March 31, 2012, the maximum amount that may be payable to or on behalf of entitled applicants pursuant to the limits set in Section 17 of the *Motor Vehicle Accident Claims Act* was approximately $9,250 (2011 - $9,718).

Note 10 Trust Funds Under Administration

(in thousands)

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Ministry's consolidated financial statements.

As at March 31, 2012 trust funds under administration were as follows:

Note 10 Trust Funds Under Administration (Cont'd)

(in thousands)

	2012	2011 (Restated)
Public Trustee, Estates and Trusts[1]	$ 543,067	$ 528,769
Various Court Offices and Fines Distribution Trust[2]	117,340	121,200
Maintenance Enforcement Trust[3]	9,908	9,025
Solicitors Trust[4]	4,112	2,635
	$ 674,427	$ 661,629

[1] The Office of the Public Trustee administers the estates of dependent adults, decedents and minors. Trust fund receipts exceeded trust fund disbursements and income adjustments in 2012 by $14,298 (2011 restated – trust fund disbursements exceeded trust fund receipts by $3,146). The major sources of receipts and income include pensions and similar receipts, investment income, and acquisition and sale of client estates. Significant disbursements include beneficiary distributions, client care and maintenance payments, release of client assets, and fees and taxes paid on behalf of clients. The Office of the Public Trustee administers other estate assets consisting of client owned securities and investments, real estate holdings, accounts receivable, and personal property and other assets totaling $98,988 as at March 31, 2012 (2011 restated - $96,606). These assets are valued at fair value at the date the office obtains custody or nominal value when fair value is not readily determinable. Client liabilities as at March 31, 2012 in the amount of $30,812 (2011 restated - $27,495) are comprised of accounts, mortgages and notes payable, and estate administration fees payable to the Public Trustee. These liabilities are recorded at nominal value where actual value is not readily determinable.

[2] The various court offices receive and disburse payments for fines, bail and other payments involving civil litigants. Trust fund disbursements exceeded trust fund receipts in 2012 by $3,860 (2011 - $21,816).

[3] The Maintenance Enforcement Program receives and disburses court ordered maintenance and child support. Trust fund receipts exceeded trust fund disbursements in 2012 by $883 (2011 - $914).

[4] The Solicitors Trust is comprised of civil law funds held in trust and monies collected under the *Victims Restitution and Compensation Payment Act*. Total funds held in trust at March 31, 2012 included $194 (2011 - $193) of civil law funds and $3,918 (2011 - $2,442) of *Victims Restitution and Compensation Payment Act* funds. Trust fund receipts exceeded trust fund disbursements in 2012 by $1,477 (2011 – trust fund disbursements exceeded trust fund receipts by $29,522).

Note 11 Payments Under Agreement

(in thousands)

The Ministry has entered into agreements to deliver programs and services that are fully funded by the Government of Northwest Territories (GNWT), the Government of Nunavut (GN), and the Government of Canada (GC). Costs under these agreements are incurred by the Ministry under authority in Section 25 of the *Financial Administration Act*. Accounts receivable includes $17 (2011 - $20) from the GNWT, $10 (2011 - $2) from the GN and $74 (2011 - $56) from the GC relating to payments under agreement.

The agreements with the GNWT and the GN are for services provided by the Medical Examiner's Office. Services include examination of remains, medico-legal autopsy, toxicology analysis, and expert testimony in court or at a coroner's inquest.

The agreement with the GC is for enhanced French language training in order to prepare Alberta Provincial Court judges to sit on the Itinerant Francophone Provincial Court Bench.

Amounts paid under agreements with program sponsors are as follows:

	2012	2011
Medical Examiner Services – GNWT	$ 17	$ 20
Medical Examiner Services – GN	10	2
Enhanced French Language Training – GC	74	56
	$ 101	$ 78

Note 12 Benefit Plans

(in thousands)

The Ministry participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $29,991 for the year ended March 31, 2012 (2011 - $27,014). Ministries are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2011, the Management Employees Pension Plan reported a deficiency of $517,726 (2010 - deficiency $397,087), the Public Service Pension Plan reported a deficiency of $1,790,383 (2010 - deficiency $2,067,151) and the Supplementary Retirement Plan for Public Service Managers had a deficiency of $53,489 (2010 - deficiency $39,559).

The Ministry participates in the Provincial Judges and Masters in Chambers Pension Plan. The expenses for this pension plan are $28,947 for the year ended March 31, 2012 (2011 - $10,124). The increase in pension plan expenses in 2012 resulted from the Judicial Compensation Commission's decision to increase judicial compensation retroactively to April 1, 2009.

MINISTRY OF JUSTICE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 12 Benefit Plans (Cont'd)

(in thousands)

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2012, the Bargaining Unit Plan reported an actuarial surplus of $9,136 (2011 - deficiency $4,141) and the Management, Opted Out and Excluded Plan an actuarial surplus of $10,454 (2011 - surplus $7,020). The expense for these two plans is limited to employer's annual contributions for the year.

Note 13 Subsequent Events

On May 8, 2012, the government announced cabinet restructuring. As a result, the Ministry of Justice was restructured. The Department of Justice and the Department of Solicitor General & Public Security were consolidated and are renamed as the "Ministry of Justice & Solicitor General". Additionally, the Ministry of Justice's responsibility for the Public Trustee program was transferred to the Ministry of Human Services.

Note 14 Comparative Figures

Certain 2011 figures have been reclassified to conform to the 2012 presentation.

Note 15 Approval of Financial Statements

The consolidated financial statements were approved by the Senior Financial Officer and the Deputy Minister of Justice.

MINISTRY OF JUSTICE

Schedule 1

SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
Revenues
Year ended March 31, 2012

	2012		2011
	Budget	Actual	Actual (Restated)
		(in thousands)	
Transfers from the Government of Canada			
Legal Aid	$ 10,808	$ 11,024	$ 11,047
Other	2,371	2,420	2,581
	13,179	13,444	13,628
Investment Income - Bank Interest	672	411	289
Premiums, Fees and Licences			
Court Fees	15,860	14,787	15,770
Motor Vehicle Accident Claims Fees	21,750	20,413	19,651
Public Trustee Fees	5,000	4,489	4,562
Other	556	785	674
	43,166	40,474	40,657
Other Revenue			
Fines	70,912	81,435	67,048
Maintenance Enforcement Program	15,413	14,658	14,783
Fines – Late Payment Penalty	18,000	20,904	20,200
Motor Vehicle Accident Recoveries	9,100	7,683	7,259
Miscellaneous	5,123	7,500	5,121
	118,548	132,180	114,411
Total Revenues	$ 175,565	$ 186,509	$ 168,985

MINISTRY OF JUSTICE

Schedule 2

SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS

Credit or Recovery

Year ended March 31, 2012

	2012		
	Authorized	**Actual[1]**	**Shortfall**
		(in thousands)	
Ticket Processing[2]	$ 29,912	$ 29,544	$ (368)
Provincial Civil Claims[3]	1,200	1,112	(88)
Maintenance Enforcement[4]	6,276	5,421	(855)
	$ 37,388	$ 36,077	$ (1,311) [5]

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[1] Revenues from credit or recovery initiatives are included in the Ministry's revenues in the consolidated Statement of Operations and Schedule 1.

[2] Ticket Processing revenues represent the Province's share of ticket revenue designated towards all expenditures in Court Services, Criminal Justice and Corporate Services incurred in the processing and handling of violation tickets.

[3] Provincial Civil Claims revenues represent amounts received from the public for filing civil claims in excess of seven thousand five hundred dollars in Provincial Court. These revenues are dedicated towards the costs of processing these claims.

[4] Maintenance Enforcement revenues represent deterrent penalties and service fees to promote timely payment of maintenance to improve and expand services available for clients.

[5] Shortfall is deducted from current year's authorized budget, as disclosed in Schedule 4.

MINISTRY OF JUSTICE

Schedule 3

SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS

Expenses – Directly Incurred Detailed by Object

Year ended March 31, 2012

	2012		2011
	Budget	Actual	Actual (Restated)
		(in thousands)	
Salaries, Wages and Employee Benefits	$ 311,618	$ 340,933	$ 310,388
Supplies and Services	79,078	63,511	63,694
Grants	74,544	78,770	86,916
Financial Transactions and Other	21,458	20,704	21,903
Amortization of Tangible Capital Assets	9,009	8,091	8,140
Total Expenses	$ 495,707	$ 512,009	$ 491,041

MINISTRY OF JUSTICE
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
Budget
Year ended March 31, 2012

Schedule 4

	2011-12 Estimates	Adjustment (a)	2011-12 Budget	Authorized Supplementary (b)	2011-12 Authorized Budget
			(in thousands)		
Revenues					
Transfers from the Government of Canada	$ 13,179	$ -	$ 13,179	$ -	$ 13,179
Investment Income	672	-	672	-	672
Premiums, Fees and Licences	43,166	-	43,166	-	43,166
Other Revenue	118,548	-	118,548	-	118,548
	175,565	-	175,565	-	175,565
Expenses – Directly Incurred					
Programs					
Ministry Support Services	24,117	-	24,117	-	24,117
Court Services	184,081	-	184,081	28,093	212,174
Legal Services	45,814	-	45,814	-	45,814
Criminal Justice	79,719	-	79,719	-	79,719
Safe Communities	18,673	-	18,673	-	18,673
Support for Legal Aid	58,810	-	58,810	-	58,810
Maintenance Enforcement	22,737	-	22,737	-	22,737
Public Trustee	15,275	-	15,275	-	15,275
Medical Examiner	12,227	-	12,227	-	12,227
Alberta Human Rights	7,567	-	7,567	-	7,567
Motor Vehicle Accident Claims	26,687	-	26,687	-	26,687
Credit or Recovery Shortfall (Schedule 2)	-	(1,311)	(1,311)	-	(1,311)
	495,707	(1,311)	494,396	28,093	522,489
Net Operating Results	$ (320,142)	$ -	$ (318,831)	$ (28,093)	$ (346,924)
Capital Investment	$ 2,537	$ -	$ 2,537	$ 2,940	$ 5,477

(a) Adjustment includes Credit or Recovery Shortfall.

(b) Supplementary Estimates were approved on December 1, 2011 and March 5, 2012.

MINISTRY OF JUSTICE
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
Related Party Transactions
Year ended March 31, 2012
(in thousands)

Schedule 5

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the consolidated Statement of Operations and the consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2012	2011 (Restated)
Expenses – Directly Incurred		
Service Alberta	$ 6,562	$ 6,491
Grants	-	1,280
Other Services	8	7
	$ 6,570	$ 7,778
Receivable from	$ 1,811	$ 2,358
Payable to	$ 1,239	$ -

The Ministry also included an outstanding deposit from Service Alberta of $8,974 (2011 - $7,883) in the Various Court Offices Trust as at March 31, 2012.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements but are disclosed in Schedule 6.

	Other Entities	
	2012	2011 (Restated)
Revenues – Legal Services	$ 30,834	$ 28,134
Expenses – Indirectly Incurred		
Accommodation	$ 71,067	$ 65,779
Service Alberta	9,982	9,708
Other Services	199	194
	$ 81,248	$ 75,681

MINISTRY OF JUSTICE

Schedule 6

SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS

Allocated Costs

Year Ended March 31, 2012

(in thousands)

	2012				2011
		Expenses – Incurred by Others			
Program	Expenses[1]	Accommodation Costs[2]	Service Alberta and Other Services	Total Expenses	Total Expenses (Restated)
Ministry Support Services	$ 20,764	$ 1,761	$ 10,181	$ 32,706	$ 32,186
Court Services	213,959	53,874	-	267,833	238,932
Legal Services	40,037	2,113	-	42,150	38,854
Criminal Justice	81,800	6,825	-	88,625	86,507
Safe Communities	22,419	235	-	22,654	31,402
Support for Legal Aid	58,810	81	-	58,891	58,885
Maintenance Enforcement	21,307	1,988	-	23,295	22,318
Public Trustee	15,958	1,753	-	17,711	16,484
Medical Examiner	10,842	1,262	-	12,104	11,210
Alberta Human Rights	7,321	720	-	8,041	8,020
Motor Vehicle Accident Claims	18,792	455	-	19,247	21,924
	$ 512,009	$ 71,067	$ 10,181	$ 593,257	$ 566,722

[1] Expenses – Directly Incurred as per consolidated Statement of Operations.

[2] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 5, allocated by square footage.

Department of Justice

Financial Statements

March 31, 2012

DEPARTMENT OF JUSTICE

Financial Statements

Year Ended March 31, 2012

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedules to Financial Statements

1 Revenues

2 Credit or Recovery

3 Expenses – Directly Incurred Detailed by Object

4 Budget

5 Comparison of Directly Incurred Expense, Capital Investment and Non-Budgetary Disbursements by Element to Authorized Spending

6 Lottery Fund Estimates

7 Salary and Benefits Disclosure

8 Related Party Transactions

9 Allocated Costs

AUDITOR
GENERAL
Alberta

Independent Auditor's Report

To the Minister of Justice and Solicitor General

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Justice which comprise the statement of financial position as at March 31, 2012, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Justice as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 28, 2012

Edmonton, Alberta

DEPARTMENT OF JUSTICE
STATEMENT OF OPERATIONS
Year ended March 31, 2012

	2012		2011
	Budget	Actual	Actual (Restated Note 3)
	(Schedule 4)		
		(in thousands)	
Revenues (Schedule 1)			
Transfers from the Government of Canada	$ 13,179	$ 13,444	$ 13,628
Investment Income	500	362	246
Premiums, Fees and Licences	43,116	40,303	40,582
Other Revenue	118,523	132,130	114,411
	175,318	186,239	168,867
Expenses – Directly Incurred (Note 2(b) and Schedule 9)			
Program (Schedules 3 and 5)			
Ministry Support Services	24,117	20,764	20,655
Court Services	184,081	213,959	189,109
Legal Services	45,814	40,037	36,900
Criminal Justice	79,719	81,800	80,195
Safe Communities	18,673	22,419	31,185
Support for Legal Aid	58,810	58,810	58,810
Maintenance Enforcement	22,737	21,307	20,480
Public Trustee	15,275	15,958	14,863
Medical Examiner	12,227	10,842	10,043
Alberta Human Rights	7,320	7,092	7,163
Motor Vehicle Accident Claims	26,687	18,792	21,503
	495,460	511,780	490,906
Net Operating Results	$ (320,142)	$ (325,541)	$ (322,039)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF JUSTICE
STATEMENT OF FINANCIAL POSITION
As at March 31, 2012

	2012	2011 (Restated Note 3)
	(in thousands)	
Assets		
Cash and Cash Equivalents (Note 4)	$ 9,169	$ 5,653
Accounts Receivable (Note 5)	95,883	95,234
Advances	26	27
Tangible Capital Assets (Note 6)	10,932	16,868
	$ 116,010	$ 117,782
Liabilities		
Accounts Payable and Accrued Liabilities	$ 132,742	$ 136,136
Unearned Revenue	1,501	2,005
	134,243	138,141
Net Liabilities		
Net Liabilities at Beginning of Year	(20,359)	(4,342)
Net Operating Results	(325,541)	(322,039)
Net Financing Provided from General Revenues	327,667	306,022
Net Liabilities at End of Year	(18,233)	(20,359)
	$ 116,010	$ 117,782

Contractual obligations and contingent liabilities (Notes 7 and 8)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF JUSTICE
STATEMENT OF CASH FLOWS
Year ended March 31, 2012

	2012	2011 (Restated Note 3)
	(in thousands)	
Operating Transactions		
Net Operating Results	$ (325,541)	$ (322,039)
Non-cash items included in Net Operating Results		
Amortization	8,091	8,140
	(317,450)	(313,899)
Increase in Accounts Receivable	(649)	(2,890)
Decrease (Increase) in Advances	1	(2)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(3,394)	12,269
(Decrease) Increase in Unearned Revenue	(504)	536
Cash Applied to Operating Transactions	(321,996)	(303,986)
Capital Transactions		
Acquisition of Tangible Capital Assets	(2,155)	(1,517)
Transfer of Tangible Capital Assets from Other Ministry	-	(3,555)
Cash Applied to Capital Transactions	(2,155)	(5,072)
Financing Transactions		
Net Financing Provided from General Revenues	327,667	306,022
Cash Provided by Financing Transactions	327,667	306,022
Increase (Decrease) in Cash and Cash Equivalents	3,516	(3,036)
Cash and Cash Equivalents at Beginning of Year	5,653	8,689
Cash and Cash Equivalents at End of Year	$ 9,169	$ 5,653

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF JUSTICE
NOTES TO THE FINANCIAL STATEMENTS

Note 1 Authority and Purpose

The Department of Justice operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The Department's purpose is to serve Albertans by promoting safe communities, by ensuring access to the courts and other methods of dispute resolution, by providing legal and related strategic services to the Government of Alberta, by protecting human rights, promoting fairness and access, and supporting the inclusion of all Albertans and by communicating with Albertans about the administration of justice.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Department of Justice, which is part of the Ministry of Justice and for which the Minister of Justice and Attorney General is accountable. These financial statements include the activities of the Motor Vehicle Accident Claims program (a statutory appropriation). Another entity reporting to the Minister is the Human Rights Education and Multiculturalism Fund. The activities of this organization are not included in these financial statements. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing Provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting except for payments on Motor Vehicle Accident Claims judgment debts and Maintenance Enforcement fees, penalties and subrogated revenues, which are recorded when received. Revenues for Motor Vehicle Accident Claims fees are reported when the service has been rendered. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Transfers from the Government of Canada

Transfers from the Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria, if any, are met and a reasonable estimate of the amounts can be made.

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the Department may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Department's credit or recovery initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs, which are the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and indemnities.

Grants are recognized as expenses when authorized, eligibility criteria and conditions, if any, are met and a reasonable estimate of the amounts can be made.

DEPARTMENT OF JUSTICE
NOTES TO THE FINANCIAL STATEMENTS

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Incurred by Others

Services contributed by other entities in support of the Department's operations are not recognized and are disclosed in Schedule 8 and allocated to programs in Schedule 9.

Assets
Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Liabilities
Liabilities are recorded to the extent that they represent obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Assets/Net Liabilities
Net assets/net liabilities represent the difference between the carrying value of assets held by the Department and its liabilities.

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The department operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Measurement Uncertainty (Cont'd)
(in thousands)

Included in accounts receivable, recorded as $95,883 in these financial statements, are fines of $58,287 (2011 - $56,381) that are subject to measurement uncertainty. Accounts receivable excludes certain outstanding federal statute and provincial statute fines that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the fine. Outstanding fines expected to be satisfied by other means of $6,278 (2011 - $8,380) are based on the actual percentage satisfied in this manner from April 1, 2011 to March 31, 2012 and have been deducted from total outstanding fines. Changes in the proportion of fines satisfied by other means may have a material effect on future operating results.

The allowance for doubtful accounts, recorded as $8,351 (2011 - $9,467) in these financial statements, is based on the actual percentage of fines written off from April 1, 2011 to March 31, 2012 and the assumption that the total receivable for Abandoned and Seized Vehicles as of March 31, 2012 will not be collected.

Accounts payable and accrued liabilities, recorded as $132,742 in these financial statements, is subject to measurement uncertainty. Accrued liabilities include an estimate of $52,828 (2011 - $58,981) for unsettled claims under the Motor Vehicle Accident Claims program based on a calculated settlement value per claim. Changes to the settlement value may have a material effect on future operating results (Note 9).

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, advances, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Note 3 Government Reorganization and Lottery Fund Initiatives

(in thousands)

As a result of restructuring of government ministries announced on October 12, 2011 and other transfer of responsibilities to and from other departments, the Department of Justice was assigned the Alberta Human Rights program. Comparatives for 2011 have been restated as if the Alberta Human Rights program had always been assigned to the Department of Justice. Net liabilities on March 31, 2010 are made up as follows:

Net liabilities as previously reported	$(3,537)
Transfer from the Department of Culture and Community Services	(805)
Net liabilities at March 31, 2010	$(4,342)

The method of funding the eligible initiatives from the lottery and gaming proceeds was changed during the year. Previously, they were funded directly from the Lottery Fund and were included in the department's revenues ($1,700). However, such proceeds are now deposited into the General Revenue Fund to finance the eligible initiatives. Financial statements for prior years have been restated as if the current arrangement had always existed. Schedule 6 provides a comparison of estimates and actual expenses for Lottery Fund initiatives.

Note 4 Cash and Cash Equivalents

Cash consists of demand deposits in the Consolidated Cash Investment Trust Fund (CCITF). The CCITF is managed by the Ministry of Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2012, securities held by the CCITF have a time-weighted return of 1.3% per annum (2011 – 1.1% per annum).

Note 5 Accounts Receivable

(in thousands)

	2012			2011
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value (Restated)
Government of Canada	$ 4,686	$ -	$ 4,686	$ 7,694
Fines - Provincial	22,309	1,846	20,463	20,205
Fines - Federal	18,413	1,239	17,174	15,343
Ticket Processing	17,565	831	16,734	16,474
Fines - Late Payment Penalty	20,875	1,783	19,092	18,688
Other	20,386	2,652	17,734	16,830
	$ 104,234	$ 8,351	$ 95,883	$ 95,234

Accounts receivable are unsecured and non-interest bearing.

Note 6 Tangible Capital Assets

(in thousands)

	Equipment[1]	Computer Hardware and Software	2012 Total	2011 Total (Restated)
Estimated Useful Life	10 years	5 – 10 years		
Historical Cost[2]				
Beginning of year	$ 9,617	$ 53,111	$ 62,728	$ 57,749
Additions	211	1,944	2,155	1,517
Transfer-in	-	-	-	3,555
Disposals	(10)	-	(10)	(93)
	$ 9,818	$ 55,055	$ 64,873	$ 62,728
Accumulated Amortization				
Beginning of year	6,300	39,560	45,860	37,813
Amortization expense	752	7,339	8,091	8,140
Effect of disposals	(10)	-	(10)	(93)
	$ 7,042	$ 46,899	$ 53,941	$ 45,860
Net Book Value at March 31, 2012	$ 2,776	$ 8,156	$ 10,932	
Net Book Value at March 31, 2011	$ 3,317	$ 13,551	$	$ 16,868

[1] Equipment includes office equipment and furniture, and other equipment.

[2] Historical cost includes work-in-progress at March 31, 2012 totaling $666 comprised of computer hardware and software.

Note 6 Tangible Capital Assets (Cont'd)

(in thousands)

Excluded from the Department's computer hardware and software at March 31, 2012 is $2,888 for the Justice Innovation & Modernization (JIMS) initiative. These costs are recorded in the Ministry of Service Alberta's financial statements as work-in-progress at March 31, 2012.

Note 7 Contractual Obligations

(in thousands)

Contractual Obligations are obligations of the Department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2012	2011
Obligations under operating leases, contracts and programs	$ 33,711	$ 35,971

Estimated payment requirements for each of the next five years are as follows:

Obligations Under Operating Leases, Contracts and Programs	Total
2012-13	23,124
2013-14	6,862
2014-15	1,552
2015-16	1,496
2016-17	677
	$ 33,711

Note 8 Contingent Liabilities

(in thousands)

At March 31, 2012, the Department is a defendant in forty legal claims (2011 – twenty five legal claims). Thirty six of these claims have specified amounts totaling $965,198 and the remaining four have no specified amount (2011 – seventeen claims with a specified amount of $943,524 and eight with no specified amount). Included in the total legal claims are twenty one claims totaling $936,017 (2011 - eight claims totaling $918,697) in which the Department has been jointly named with other entities. Thirty one claims totaling $959,138 (2011 – thirteen claims totaling $927,019) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 8 Contingent Liabilities (Cont'd)

(in thousands)

Based on the *Public Trustee Act*, the amount outstanding on a client's guaranteed account as administered by the Office of the Public Trustee (OPT) is a charge against the Common Fund Assets of the OPT and is unconditionally guaranteed by the Crown. As at March 31, 2012, based on the financial statements of OPT, the outstanding balance of the Client Guaranteed Accounts is $403,195 (2011 - $390,192).

Within the provision of the *Public Trustee Act*, the Office of the Public Trustee remits unclaimed estate monies, which is reported as general revenue of the Department. If entitled beneficiaries are subsequently located, previously unclaimed estate monies are distributed to the beneficiaries.

Note 9 Motor Vehicle Accident Claims Program

(in thousands)

Personal Injury Settlements

The Motor Vehicle Accident Claims Program is a publicly administered program that pays for judgments arising from motor vehicle accidents involving uninsured or unidentified vehicles in Alberta. The program operates under the authority of the *Motor Vehicle Accident Claims Act*. At March 31, 2012, there were one thousand three hundred and thirty two (2011 - one thousand four hundred and seventy three) unsettled motor vehicle accident claims under this program amounting to $158,745 (2011 - $169,493). Of the unsettled claims, it was estimated that approximately $52,828 (2010 - $58,981) may arise from court ordered judgments and has been recorded as a liability.

The *Motor Vehicle Accident Claims Act* states that in order for claimants involved in motor vehicle accidents with uninsured or unidentified vehicles to be entitled to compensation, the Minister of Justice must receive a court judgment. In accordance with the Act, liabilities for personal injury claims are accrued when a court ordered judgment is received. Liabilities for motor vehicle accident claims amounting to $998 at March 31, 2012 (2011 - $774) are included in the total claim expenditures of $24,839 (2011 - $22,075) acquired to support the operations of the Motor Vehicle Accident Claims Program.

Supplementary Medical and Rehabilitation Expenses

The estimated liability for supplementary medical and rehabilitation expenses on approved applications filed up to March 31, 2012, is $4,225 (2011 - $4,452) and has been recorded as a liability. As at March 31, 2012, the maximum amount that may be payable to or on behalf of entitled applicants pursuant to the limits set in Section 17 of the *Motor Vehicle Accident Claims Act* was approximately $9,250 (2011 - $9,718).

DEPARTMENT OF JUSTICE
NOTES TO THE FINANCIAL STATEMENTS

Note 10 Trust Funds Under Administration

(in thousands)

The Department administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Department's financial statements.

As at March 31, 2012 trust funds under administration were as follows:

	2012	2011 (Restated)
Public Trustee, Estates and Trusts(1)	$ 543,067	$ 528,769
Various Court Offices and Fines Distribution Trust(2)	117,340	121,200
Maintenance Enforcement Trust(3)	9,908	9,025
Solicitors Trust(4)	4,112	2,635
	$ 674,427	$ 661,629

(1) The Office of the Public Trustee administers the estates of dependent adults, decedents and minors. Trust fund receipts exceeded trust fund disbursements and income adjustments in 2012 by $14,298 (2011 restated – trust fund disbursements exceeded trust fund receipts by $3,146). The major sources of receipts and income include pensions and similar receipts, investment income, and acquisition and sale of client estates. Significant disbursements include beneficiary distributions, client care and maintenance payments, release of client assets, and fees and taxes paid on behalf of clients. The Office of the Public Trustee administers other estate assets consisting of client owned securities and investments, real estate holdings, accounts receivable, and personal property and other assets totaling $98,988 as at March 31, 2012 (2011 restated - $96,606). These assets are valued at fair value at the date the office obtains custody or nominal value when fair value is not readily determinable. Client liabilities as at March 31, 2012 in the amount of $30,812 (2011 restated - $27,495) are comprised of accounts, mortgages and notes payable, and estate administration fees payable to the Public Trustee. These liabilities are recorded at nominal value where actual value is not readily determinable.

(2) The various court offices receive and disburse payments for fines, bail and other payments involving civil litigants. Trust fund disbursements exceeded trust fund receipts in 2012 by $3,860 (2011 - $21,816).

(3) The Maintenance Enforcement Program receives and disburses court ordered maintenance and child support. Trust fund receipts exceeded trust fund disbursements in 2012 by $883 (2011 - $914).

(4) The Solicitors Trust is comprised of civil law funds held in trust and monies collected under the *Victims Restitution and Compensation Payment Act*. Total funds held in trust at March 31, 2012 included $194 (2011 - $193) of civil law funds and $3,918 (2011 - $2,442) of *Victims Restitution and Compensation Payment Act* funds. Trust fund receipts exceeded trust fund disbursements in 2012 by $1,477 (2011 – trust fund disbursements exceeded trust fund receipts by $29,522).

DEPARTMENT OF JUSTICE
NOTES TO THE FINANCIAL STATEMENTS

Note 11 Payments Under Agreement

(in thousands)

The Department has entered into agreements to deliver programs and services that are fully funded by the Government of Northwest Territories (GNWT), the Government of Nunavut (GN), and the Government of Canada (GC). Costs under these agreements are incurred by the Department under authority in Section 25 of the *Financial Administration Act*. Accounts receivable includes $17 (2011 - $20) from the GNWT, $10 (2011 - $2) from the GN and $74 (2011 - $56) from the GC relating to payments under agreement.

The agreements with the GNWT and the GN are for services provided by the Medical Examiner's Office. Services include examination of remains, medico-legal autopsy, toxicology analysis, and expert testimony in court or at a coroner's inquest.

The agreement with the GC is for enhanced French language training in order to prepare Alberta Provincial Court judges to sit on the Itinerant Francophone Provincial Court Bench.

Amounts paid under agreements with program sponsors are as follows:

	2012	2011
Medical Examiner Services – GNWT	$ 17	$ 20
Medical Examiner Services – GN	10	2
Enhanced French Language Training – GC	74	56
	$ 101	$ 78

Note 12 Benefit Plans

(in thousands)

The Department participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $29,991 for the year ended March 31, 2012 (2011 - $27,014). Departments are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2011, the Management Employees Pension Plan reported a deficiency of $517,726 (2010 - deficiency $397,087), the Public Service Pension Plan reported a deficiency of $1,790,383 (2010 - deficiency $2,067,151) and the Supplementary Retirement Plan for Public Service Managers had a deficiency of $53,489 (2010 - deficiency $39,559).

The Department participates in the Provincial Judges and Masters in Chambers Pension Plan. The expenses for this pension plan are $28,947 for the year ended March 31, 2012 (2011 - $10,124). The increase in pension plan expenses in 2012 resulted from the Judicial Compensation Commission's decision to increase judicial compensation retroactively to April 1, 2009.

DEPARTMENT OF JUSTICE
NOTES TO THE FINANCIAL STATEMENTS

Note 12 Benefit Plans (Cont'd)

(in thousands)

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2012, the Bargaining Unit Plan reported an actuarial surplus of $9,136 (2011 - deficiency $4,141) and the Management, Opted Out and Excluded Plan an actuarial surplus of $10,454 (2011 - surplus $7,020). The expense for these two plans is limited to employer's annual contributions for the year.

Note 13 Subsequent Events

On May 8, 2012, the government announced cabinet restructuring. As a result, the Ministry of Justice was restructured. The Department of Justice and the Department of Solicitor General & Public Security were consolidated and are renamed as the "Ministry of Justice & Solicitor General". Additionally, the Ministry of Justice's responsibility for the Public Trustee program was transferred to the Ministry of Human Services.

Note 14 Comparative Figures

Certain 2011 figures have been reclassified to conform to the 2012 presentation.

Note 15 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister of Justice.

DEPARTMENT OF JUSTICE
SCHEDULE TO FINANCIAL STATEMENTS
Revenues
Year ended March 31, 2012

Schedule 1

	2012		2011
	Budget	**Actual**	**Actual (Restated)**
		(in thousands)	
Transfers from the Government of Canada			
Legal Aid	$ 10,808	$ 11,024	$ 11,047
Other	2,371	2,420	2,581
	13,179	13,444	13,628
Investment Income - Bank Interest	500	362	246
Premiums, Fees and Licences			
Court Fees	15,860	14,787	15,770
Motor Vehicle Accident Claims Fees	21,750	20,413	19,651
Public Trustee Fees	5,000	4,489	4,562
Other	506	614	599
	43,116	40,303	40,582
Other Revenue			
Fines	70,912	81,435	67,048
Maintenance Enforcement Program	15,413	14,658	14,783
Fines – Late Payment Penalty	18,000	20,904	20,200
Motor Vehicle Accident Recoveries	9,100	7,683	7,259
Miscellaneous	5,098	7,450	5,121
	118,523	132,130	114,411
Total Revenues	$ 175,318	$ 186,239	$ 168,867

DEPARTMENT OF JUSTICE
SCHEDULE TO FINANCIAL STATEMENTS
Credit or Recovery
Year ended March 31, 2012

Schedule 2

	2012		
	Authorized	**Actual**[1]	**Shortfall**
		(in thousands)	
Ticket Processing[2]	$ 29,912	$ 29,544	$ (368)
Provincial Civil Claims[3]	1,200	1,112	(88)
Maintenance Enforcement[4]	6,276	5,421	(855)
	$ 37,388	$ 36,077	$ (1,311) [5]

[1] Revenues from credit or recovery initiatives are included in the Department's revenues in the Statement of Operations and Schedule 1.

[2] Ticket Processing revenues represent the Province's share of ticket revenue designated towards all expenditures in Court Services, Criminal Justice and Corporate Services incurred in the processing and handling of violation tickets.

[3] Provincial Civil Claims revenues represent amounts received from the public for filing civil claims in excess of seven thousand five hundred dollars in Provincial Court. These revenues are dedicated towards the costs of processing these claims.

[4] Maintenance Enforcement revenues represent deterrent penalties and service fees to promote timely payment of maintenance to improve and expand services available for clients.

[5] Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5.

DEPARTMENT OF JUSTICE
SCHEDULE TO FINANCIAL STATEMENTS
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2012

Schedule 3

	2012		2011
	Budget	Actual	Actual (Restated)
		(in thousands)	
Salaries, Wages and Employee Benefits	$ 311,618	$ 340,933	$ 310,388
Supplies and Services	78,780	63,289	63,490
Grants	75,220	79,388	87,610
Financial Transactions and Other	21,458	20,704	21,903
Amortization of Tangible Capital Assets	9,009	8,091	8,140
Total Expenses before Recoveries	496,085	512,405	491,531
Less Recovery from Support Service Arrangement with Related Party (a)	(625)	(625)	(625)
	$ 495,460	$ 511,780	$ 490,906

(a) The Department provides financial and administrative services to the Human Rights Education and Multiculturalism Fund within the Ministry of Justice. Costs incurred by the Department for these services were recovered.

DEPARTMENT OF JUSTICE
SCHEDULE TO FINANCIAL STATEMENTS
Budget
Year ended March 31, 2012

Schedule 4

	2011-12 Estimates	Adjustment (a)	2011-12 Budget	Authorized Supplementary (b)	2011-12 Authorized Budget
			(in thousands)		
Revenues					
Transfers from the Government of Canada	$ 13,179	$ -	$ 13,179	$ -	$ 13,179
Investment Income	500	-	500	-	500
Premiums, Fees and Licences	43,116	-	43,116	-	43,116
Other Revenue	118,523	-	118,523	-	118,523
	175,318	-	175,318	-	175,318
Expenses – Directly Incurred					
Programs					
Ministry Support Services	24,117	-	24,117	-	24,117
Court Services	184,081	-	184,081	28,093	212,174
Legal Services	45,814	-	45,814	-	45,814
Criminal Justice	79,719	-	79,719	-	79,719
Safe Communities	18,673	-	18,673	-	18,673
Support for Legal Aid	58,810	-	58,810	-	58,810
Maintenance Enforcement	22,737	-	22,737	-	22,737
Public Trustee	15,275	-	15,275	-	15,275
Medical Examiner	12,227	-	12,227	-	12,227
Alberta Human Rights	7,320	-	7,320	-	7,320
Motor Vehicle Accident Claims	26,687	-	26,687	-	26,687
Credit or Recovery Shortfall (Schedule 2)	-	(1,311)	(1,311)	-	(1,311)
	495,460	(1,311)	494,149	28,093	522,242
Net Operating Results	$ (320,142)	$ -	$ (318,831)	$ (28,093)	$ (346,924)
Capital Investment	$ 2,537	$	$ 2,537	$ 2,940	$ 5,477

(a) Adjustment includes Credit or Recovery Shortfall.

(b) Supplementary Estimates were approved on December 1, 2011 and March 5, 2012

DEPARTMENT OF JUSTICE

Schedule 5

SCHEDULE TO FINANCIAL STATEMENTS

Comparison of Directly Incurred Expense, Capital Investment and Non-Budgetary Disbursements by Element to Authorized Spending

Year ended March 31, 2012

(in thousands)

		2011-12 Estimates	Adjustments (a)	2011-12 Budget	Authorized Supple-mentary (b)	2011-12 Authorized Budget	Amounts Not Required To Be Voted	2011-12 Authorized Spending	2011-12 Actual (c)	Unexpended (Over Expended)
Program										
1	**Ministry Support Services**									
1.1	Minister's Office	$ 574	$ -	$ 574	$ -	$ 574	$ -	$ 574	$ 477	$ 97
1.2	Deputy Minister's Office	616	-	616	-	616	-	616	593	23
1.3	Communications	531	-	531	-	531	-	531	484	47
1.4	Corporate Services	11,485	-	11,485	-	11,485	(32)	11,453	10,875	578
1.5	Human Resources	3,890	-	3,890	-	3,890	-	3,890	3,743	147
1.6	Management Information Services	7,021	-	7,021	-	7,021	(52)	6,969	4,435	2,534
		$ 24,117	$ -	$ 24,117	$ -	$ 24,117	$ (84)	$ 24,033	$ 20,607	$ 3,426
2	**Court Services**									
2.1	Program Support Services									
	- Expense	$ 24,387	$ -	$ 24,387	$ -	$ 24,387	$ (6,995)	$ 17,392	$ 15,937	$ 1,455
	- Capital Investment	1,000	-	1,000	-	1,000	-	1,000	990	10
2.2	Chief Provincial Judge's Office	2,891	-	2,891	-	2,891	-	2,891	4,085	(1,194)
2.3	Law Libraries	4,482	-	4,482	-	4,482	-	4,482	4,447	35
2.4	Ticket Processing	29,912	-	29,912	-	29,912	-	29,912	30,228	(316)
2.5	Provincial Civil Claims	1,200	-	1,200	-	1,200	-	1,200	1,144	56
2.6	Aboriginal Court Worker Program	4,015	-	4,015	-	4,015	-	4,015	4,099	(84)
2.7	Civil Mediation	2,489	-	2,489	-	2,489	-	2,489	1,393	1,096
2.8	Self-Represented Litigant Services	867	-	867	-	867	-	867	876	(9)
2.9	Calgary Court of Queen's Bench	9,934	-	9,934	-	9,934	-	9,934	10,835	(901)
2.10	Calgary Provincial Courts	24,550	-	24,550	-	24,550	-	24,550	23,837	713
2.11	Calgary Family Justice Services	3,113	-	3,113	-	3,113	-	3,113	2,933	180
2.12	Calgary Operations Support	1,938	-	1,938	-	1,938	-	1,938	2,212	(274)
2.13	Edmonton Court of Queen's Bench	9,436	-	9,436	-	9,436	-	9,436	9,992	(556)
2.14	Edmonton Provincial Courts	21,174	-	21,174	-	21,174	-	21,174	20,901	273
2.15	Edmonton Family Justice Services	3,218	-	3,218	-	3,218	-	3,218	2,739	479
2.16	Edmonton Operations Support	2,499	-	2,499	-	2,499	-	2,499	2,522	(23)

DEPARTMENT OF JUSTICE
SCHEDULE TO FINANCIAL STATEMENTS
Comparison of Directly Incurred Expense, Capital Investment and Non-Budgetary Disbursements by Element to Authorized Spending
Year ended March 31, 2012

Schedule 5 (Cont'd)

		2011-12 Estimates	Adjustments (a)	2011-12 Budget	Authorized Supple-mentary (b)	2011-12 Authorized Budget	Amounts Not Required To Be Voted	2011-12 Authorized Spending	2011-12 Actual (c)	Unexpended (Over Expended)
						(in thousands)				
2	**Court Services (Cont'd)**									
2.17	Alberta Review Board	265	-	265	-	265	-	265	449	(184)
2.18	Lethbridge Courts	4,594	-	4,594	-	4,594	-	4,594	4,233	361
2.19	Red Deer Courts	4,309	-	4,309	-	4,309	-	4,309	4,852	(543)
2.20	Grande Prairie Courts	2,211	-	2,211	-	2,211	-	2,211	1,659	552
2.21	Peace River Courts	1,848	-	1,848	-	1,848	-	1,848	2,012	(164)
2.22	Wetaskiwin Courts	1,689	-	1,689	-	1,689	-	1,689	1,540	149
2.23	Fort McMurray Courts	1,950	-	1,950	-	1,950	-	1,950	1,589	361
2.24	St. Paul Courts	2,051	-	2,051	-	2,051	-	2,051	2,158	(107)
2.25	Drumheller Courts	526	-	526	-	526	-	526	482	44
2.26	Medicine Hat Courts	1,596	-	1,596	-	1,596	-	1,596	1,800	(204)
2.27	Regional Provincial Courts	7,672	-	7,672	-	7,672	-	7,672	6,459	1,213
2.28	Regional Family Justice Services	2,455	-	2,455	-	2,455	-	2,455	2,176	279
2.29	Regional Operations Support	1,479	-	1,479	-	1,479	-	1,479	1,578	(99)
2.30	Court of Appeal	5,331	-	5,331	-	5,331	-	5,331	5,649	(318)
2.31	Incremental Judicial Compensation	-	-	-	28,093	28,093	-	28,093	27,076	1,017
		$ 185,081	$ -	$ 185,081	$ 28,093	$ 213,174	$ (6,995)	$ 206,179	$ 202,882	$ 3,297
3	**Legal Services**									
	- Expense	$ 45,814	$ -	$ 45,814	$ -	$ 45,814	$ (152)	$ 45,662	$ 39,531	$ 6,131
	- Capital Investment	30	-	30	-	30	-	30	21	9
		$ 45,844	$ -	$ 45,844	$ -	$ 45,844	$ (152)	$ 45,692	$ 39,552	$ 6,140
4	**Criminal Justice**									
	- Expense	$ 79,719	$ -	$ 79,719	$ -	$ 79,719	$ (153)	$ 79,566	$ 81,382	$ (1,816)
	- Capital Investment	-	-	-	-	-	-	-	16	(16)
		$ 79,719	$ -	$ 79,719	$ -	$ 79,719	$ (153)	$ 79,566	$ 81,398	$ (1,832)

DEPARTMENT OF JUSTICE

SCHEDULE TO FINANCIAL STATEMENTS

Schedule 5 (Cont'd)

Comparison of Directly Incurred Expense, Capital Investment and Non-Budgetary Disbursements by Element to Authorized Spending

Year ended March 31, 2012

(in thousands)

		2011-12 Estimates	Adjustments (a)	2011-12 Budget	Authorized Supple-mentary (b)	2011-12 Authorized Budget	Amounts Not Required To Be Voted	2011-12 Authorized Spending	2011-12 Actual (c)	Unexpended (Over Expended)
5	**Safe Communities**									
5.1	Secretariat	$ 4,673	$ -	$ 4,673	$ -	$ 4,673	$ (4)	$ 4,669	$ 4,306	$ 363
5.2	Innovation Fund	14,000	-	14,000	-	14,000	-	14,000	18,082	(4,082)
		$ 18,673	$ -	$ 18,673	$ -	$ 18,673	$ (4)	$ 18,669	$ 22,388	$ (3,719)
6	**Support for Legal Aid**	$ 58,810	$ -	$ 58,810	$ -	$ 58,810	$ -	$ 58,810	$ 58,810	$ -
7	**Maintenance Enforcement**									
	- Expense	$ 22,737	$ -	$ 22,737	$ -	$ 22,737	$ (1,645)	$ 21,092	$ 19,667	$ 1,425
	- Capital Investment	650	-	650	-	650	-	650	281	369
		$ 23,387	$ -	$ 23,387	$ -	$ 23,387	$ (1,645)	$ 21,742	$ 19,948	$ 1,794
8	**Public Trustee**									
	- Expense	$ 15,275	$ -	$ 15,275	$ -	$ 15,275	$ (41)	$ 15,234	$ 15,919	$ (685)
	- Capital Investment	687	-	687	2,940	3,627	-	3,627	677	2,950
		$ 15,962	$ -	$ 15,962	$ 2,940	$ 18,902	$ (41)	$ 18,861	$ 16,596	$ 2,265
9	**Medical Examiner**									
	- Expense	$ 12,227	$ -	$ 12,227	$ -	$ 12,227	$ (343)	$ 11,884	$ 10,395	$ 1,489
	- Capital Investment	170	-	170	-	170	-	170	162	8
		$ 12,397	$ -	$ 12,397	$ -	$ 12,397	$ (343)	$ 12,054	$ 10,557	$ 1,497
10	**Alberta Human Rights**									
	- Expense	$ 7,320	$ -	$ 7,320	$ -	$ 7,320	$ (5)	$ 7,315	$ 6,994	$ 321
	- Capital Investment	-	-	-	-	-	-	-	8	(8)
		$ 7,320	$ -	$ 7,320	$ -	$ 7,320	$ (5)	$ 7,315	$ 7,002	$ 313

DEPARTMENT OF JUSTICE
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 5 (Cont'd)

Comparison of Directly Incurred Expense, Capital Investment and Non-Budgetary Disbursements by Element to Authorized Spending
Year ended March 31, 2012

(in thousands)

	2011-12 Estimates	Adjustments (a)	2011-12 Budget	Authorized Supple-mentary (b)	2011-12 Authorized Budget	Amounts Not Required To Be Voted	2011-12 Authorized Spending	2011-12 Actual (c)	Unexpended (Over Expended)
Motor Vehicle Accident Claims	$ 26,687	$ -	$ 26,687	$ -	$ 26,687	$ (436)	$ 26,251	$ 24,405	$ 1,846
Credit or Recovery Shortfall (Schedule 2)	$ -	$ (1,311)	$ (1,311)	$ -	$ (1,311)	$ -	$ (1,311)	$ -	$ (1,311)
	$ 497,997	$ (1,311)	$ 496,686	$ 31,033	$ 527,719	$ (9,858)	$ 517,861	$ 504,145	$ 13,716
Expense	$ 495,460	$ (1,311)	$ 494,149	$ 28,093	$ 522,242	$ (9,858)	$ 512,384	$ 501,990	$ 10,394
Capital Investment	2,537	-	2,537	2,940	5,477	-	5,477	2,155	3,322
	$ 497,997	$ (1,311)	$ 496,686	$ 31,033	$ 527,719	$ (9,858)	$ 517,861	$ 504,145	$ 13,716

(a) Adjustment includes Credit or Recovery Shortfall.

(b) Supplementary Estimates were approved on December 1, 2011 and March 5, 2012.

(c) Expenses incurred per Statement of Operations, excluding amortization and valuation adjustments.

DEPARTMENT OF JUSTICE
SCHEDULE TO FINANCIAL STATEMENTS
Lottery Fund Estimates
Year ended March 31, 2012
(in thousands)

Schedule 6

	2011-12 Lottery Fund Estimates	2011-12 Actual	Unexpended (Over Expended)
		(in thousands)	
Alberta Human Rights	$ 1,700	$ 1,700	$ -

The revenue of the Lottery Fund is transferred to the Department of Finance on behalf of the General Revenue Fund. Having been transferred to the General Revenue Fund, these monies then become part of the Department's supply vote. This table shows details of the initiatives within the department that are funded by Lottery Fund and compares it to the actual results.

DEPARTMENT OF JUSTICE
SCHEDULE TO FINANCIAL STATEMENTS
Salary and Benefits Disclosure
Year ended March 31, 2012

Schedule 7

	2012				2011
	Base Salary[1]	Other Cash Benefits[2]	Other Non-Cash Benefits[3]	Total	Total (Restated)
			(in thousands)		
Senior Officials					
Deputy Minister[4]	$ 264	$ 44	$ -	$ 308	$ 331
Chief of the Commission and Tribunals, Alberta Human Rights Commission	221	9	2	232	237
Executives					
Assistant Deputy Ministers					
Corporate Services	185	1	54	240	232
Court Services[5]	181	7	20	208	179
Criminal Justice	197	1	58	256	249
Legal Services[6]	197	1	57	255	245
Justice Services[7]	173	1	50	224	-
Safe Communities and Strategic Policy	186	1	52	239	231

Prepared in accordance with Treasury Board Directive 12/98 as amended.

[1] Base salary includes pensionable base pay.

[2] Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2012.

[3] Other non-cash benefits include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

[4] Automobile provided, no dollar amount included in other non-cash benefits.

[5] The position was occupied by two individuals at different times during the year.

[6] The position was occupied by three individuals at different times during the year.

[7] Position created on April 27, 2011.

DEPARTMENT OF JUSTICE

Schedule 8

SCHEDULE TO FINANCIAL STATEMENTS

Related Party Transactions

Year ended March 31, 2012

(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2012	2011 (Restated)	2012	2011 (Restated)
Expenses – Directly Incurred				
Service Alberta	$ -	$ -	$ 6,562	$ 6,491
Grants	1,700	1,725	-	1,280
Other Services	-	-	8	7
	$ 1,700	$ 1,725	$ 6,570	$ 7,778
Receivable from	$ -	$ 1	$ 1,811	$ 2,358
Payable to	$ -	$ -	$ 1,239	$ -

The Department also included an outstanding deposit from Service Alberta of $8,974 (2011 - $7,883) in the Various Court Offices Trust as at March 31, 2012. The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 9.

	Entities in the Ministry		Other Entities	
	2012	2011 (Restated)	2012	2011 (Restated)
Revenues				
Legal Services	$ -	$ -	$ 30,834	$ 28,134
Other	-	203	-	-
	$ -	$ 203	$ 30,834	$ 28,134
Expenses – Indirectly Incurred				
Accommodation	$ -	$ -	$ 71,002	$ 65,714
Service Alberta	-	-	9,982	9,708
Other Services	-	-	199	194
	$ -	$ -	$ 81,183	$ 75,616

DEPARTMENT OF JUSTICE
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 9

Allocated Costs
Year Ended March 31, 2012
(in thousands)

	2012				2011
		Expenses – Incurred by Others			
Program	Expenses[1]	Accommodation Costs[2]	Service Alberta and Other Services	Total Expenses	Total Expenses (Restated)
Ministry Support Services	$ 20,764	$ 1,761	$ 10,181	$ 32,706	$ 32,186
Court Services	213,959	53,874	-	267,833	238,932
Legal Services	40,037	2,113	-	42,150	38,854
Criminal Justice	81,800	6,825	-	88,625	86,507
Safe Communities	22,419	235	-	22,654	31,402
Support for Legal Aid	58,810	81	-	58,891	58,885
Maintenance Enforcement	21,307	1,988	-	23,295	22,318
Public Trustee	15,958	1,753	-	17,711	16,484
Medical Examiner	10,842	1,262	-	12,104	11,210
Alberta Human Rights	7,092	655	-	7,747	7,820
Motor Vehicle Accident Claims	18,792	455	-	19,247	21,924
	$ 511,780	$ 71,002	$ 10,181	$ 592,963	$ 566,522

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[1] Expenses – Directly Incurred as per Statement of Operations.

[2] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 8, allocated by square footage.

Human Rights Education and Multiculturalism Fund

Financial Statements

March 31, 2012

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND

Financial Statements

Year Ended March 31, 2012

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

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Schedules to Financial Statements

- 1 Expenses – Directly Incurred Detailed by Object
- 2 Related Party Transactions
- 3 Allocated Costs

AUDITOR
GENERAL
Alberta

Independent Auditor's Report

To the Minister of Justice and Solicitor General

Report on the Financial Statements

I have audited the accompanying financial statements of the Human Rights Education and Multiculturalism Fund which comprise the statement of financial position as at March 31, 2012, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Human Rights Education and Multiculturalism Fund as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 28, 2012

Edmonton, Alberta

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
STATEMENT OF OPERATIONS
Year ended March 31, 2012

	2012		2011
	Budget	Actual	Actual (Restated Note 3)
		(in thousands)	
Revenues			
Internal Government Transfers			
Transfers from the Department of Justice	$ 1,700	$ 1,700	$ 1,725
Investment Income	172	49	43
Premiums, Fees and Licences	50	171	75
Other Revenue	25	50	-
	1,947	1,970	1,843
Expenses – Directly Incurred (Note 2(b) and Schedule 3)			
Program (Schedule 1)			
Support to Community Groups	1,237	1,267	1,294
Education Programs	655	627	523
Administration	55	35	42
	1,947	1,929	1,859
Net Operating Results	$ -	41	(16)
Operating Fund Balance at Beginning of Year		3,097	3,113
Operating Fund Balance at End of Year		$ 3,138	$ 3,097

The accompanying notes and schedules are part of these financial statements.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
STATEMENT OF FINANCIAL POSITION
As at March 31, 2012

	2012	2011 (Restated Note 3)
	(in thousands)	
Financial Assets		
Cash and Cash Equivalents (Note 4)	$ 3,353	$ 3,109
Accounts Receivable (Note 5)	5	1
	3,358	3,110
Prepaid Expenses	-	5
	$ 3,358	$ 3,115
Liabilities		
Accounts Payable and Accrued Liabilities	220	$ 18
Fund Balances		
Operating	3,138	3,097
	$ 3,358	$ 3,115

Contractual obligations (Note 6)

The accompanying notes and schedules are part of these financial statements.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
STATEMENT OF CASH FLOWS
Year ended March 31, 2012

	2012	2011 (Restated Note 3)
	(in thousands)	
Operating Transactions		
Net Operating Results	$ 41	$ (16)
Increase in Accounts Receivable	(4)	(1)
Decrease (Increase) in Prepaid Expenses	5	(5)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	202	(144)
Cash Provided by (Applied to) Operating Transactions	244	(166)
Cash and Cash Equivalents at Beginning of Year	3,109	3,275
Cash and Cash Equivalents at End of Year	$ 3,353	$ 3,109

The accompanying notes and schedules are part of these financial statements.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
NOTES TO THE FINANCIAL STATEMENTS

Note 1 Authority and Purpose

The Human Rights Education and Multiculturalism Fund (Fund) operates under the authority of the *Alberta Human Rights Act*, Chapter A-25.5, Revised Statutes of Alberta 2000.

The purpose of the Fund is to promote equality, increase understanding and acceptance of Alberta's diverse racial and cultural composition, and inform Albertans about their rights and responsibilities under the *Alberta Human Rights Act*.

The Fund is owned by the Crown in right of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Human Rights Education and Multiculturalism Fund, which is part of the Ministry of Justice and for which the Minister of Justice and Attorney General is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return. Internal government transfers are recognized as revenue when received.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (cont'd)

(b) Basis of Financial Reporting (cont'd)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Fund has primary responsibility and accountability for, as reflected in the Government's budget documents.

Grants are recognized as expenses when authorized, eligibility criteria and conditions, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Fund's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Fund are limited to cash and financial claims such as accounts receivable from other organizations.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of event and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Note 3 Government Reorganization

As a result of restructuring of government ministries announced on October 12, 2011 and other transfer responsibilities to and from other Ministries, the Ministry of Justice was assigned responsibility for the Fund, with exception of the Queen's Golden Jubilee Awards and Medals program. Comparatives for 2011 have been restated to reflect this.

Note 4 Cash and Cash Equivalents

(in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2012, securities held by CCITF have a time weighted return of 1.3% (2011 – 1.1%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Cash appropriated for non-current use in the amount of $1,450 is no longer internally restricted and is therefore available to pay for operating expenses of the Fund.

Note 5 Accounts Receivable

(in thousands)

	2012			2011
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 5	$ -	$ 5	$ 1

Accounts receivable are unsecured and non-interest bearing.

Note 6 Contractual Obligations

(in thousands)

Contractual obligations are obligations of the Fund to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2012	2011
Grant Agreements	$ 21	$ 369
Service Contracts	-	110
	$ 21	$ 479

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Grant Agreements	Service Contracts	Total
2012-13	$ 21	$ -	$ 21

Note 7 Honoraria

(in thousands)

	2012			2011 (Restated)
	Honoraria [(a)]	Benefits and Allowances [(b)]	Total	Total
Advisory Committee Other Members [(c)]	$ -	$ -	$ -	$ 2

[(a)] The Fund has no employees. Staff of the Department of Justice administers the Fund. Disclosure of information on their salaries and benefits, a requirement under Treasury Board Directive 12/98 as amended, is included in the financial statements of the Department of Justice.

[(b)] No benefits were provided to the Advisory Committee members.

[(c)] Members appointed to the Advisory Committee are paid honoraria for attending meetings and performing other Fund duties at rates set by Ministerial Order. In 2012, no meetings were held and no honoraria was paid to any members.

Note 8 Comparative Figures

Certain 2011 figures have been reclassified to conform to the 2012 presentation.

Note 9 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister of Justice.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND

Schedule 1

SCHEDULE TO FINANCIAL STATEMENTS

Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2012

	2012		2011
	Budget	Actual	Actual (Restated)
		(in thousands)	
Grants	$ 1,024	$ 1,082	$ 1,030
Supplies and Services from Support Service Arrangement with Related Party [a]	625	625	625
Supplies and Services	290	222	202
Honoraria (Note 7)	8	-	2
	$ 1,947	$ 1,929	$ 1,859

[a] The Fund receives financial and administrative services from the Department of Justice.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND

Schedule 2

SCHEDULE TO FINANCIAL STATEMENTS

Related Party Transactions

Year ended March 31, 2012

(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Fund paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Fund had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between related parties:

	Entities in the Ministry	
	2012	2011
Revenues		
Transfers from the Department of Justice	$ 1,700	$ 1,725
	$ 1,700	$ 1,725
Payable to	$ -	$ 1

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2012	2011	2012	2011
Expenses – Incurred by Others				
Other Services	$ -	$ 203	$ -	$ -
Accommodation	-	-	65	65
	$ -	$ 203	$ 65	$ 65

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
SCHEDULE TO FINANCIAL STATEMENTS

Schedule 3

Allocated Costs
Year ended March 31, 2012
(in thousands)

	2012			2011
		Expenses – Incurred by Others		
Program	**Expenses [a]**	**Accommodation[b]**	**Total Expenses**	**Total Expenses (Restated)**
Support to Community Groups	$ 1,267	$ 22	$ 1,289	$ 1,384
Education Programs	627	31	658	637
Administration	35	12	47	101
	$ 1,929	$ 65	$ 1,994	$ 2,122

[a] Expenses – Directly Incurred as per Statement of Operations.

[b] The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

Other Information

Other Financial Information

The following information is unaudited.

Statement of Compromises and Write-offs

Civil Law Legal Services Delivery

Fine Activity Information

Fine Collection Cost Estimates

Office of the Public Trustee, Estates and Trusts Financial Statements

Statement of Compromises and Write-offs
For the Year Ended March 31, 2012
(Unaudited)
(in thousands)

The following Statement of Compromises and Write-offs has been prepared pursuant to Section 23 of the *Financial Administration Act*. The statement includes all compromises and write-offs that the Ministry of Justice made or approved during the fiscal year.

Compromises:		
Motor Vehicle Accident Recoveries	$	349
	$	349
Write-offs:		
Fines	$	5,007
Fines – Late Payment Penalty		1,740
Abandoned and Seized Vehicles		1,089
Maintenance Enforcement Program		343
	$	8,179
Total Compromises and Write-offs	$	8,528

Civil Law Legal Services Delivery
Current and Prior Year Comparison
(Unaudited)

Staff Providing Services

Civil Law provides legal and related strategic services to all government ministries. Civil Law maintains a time keeping system to enable its lawyers, paralegals and articling students to record and report the hours of legal services provided in total to each Ministry and their respective programs. In 2011-12, 222 lawyers, paralegals and articling students recorded in excess of 260,000 hours of provided legal services and in 2010-11, 200 such staff recorded more than 240,000 hours. The total hours of service to each Ministry is used as the basis to allocate legal services costs.

Cost of Legal Services

The costing methodology to estimate the costs for providing legal services for allocation to all client ministries includes the total cost of Civil Law less expenditures on contracted services and grants to third parties. A proportionate amount for support services provided by Corporate Services and Human Resource Services is included in the estimate. The estimate includes accommodation costs for office space in government owned or leased buildings as paid by and reported by the Ministry of Infrastructure, and also includes all or part of salary and benefit costs for lawyers paid directly by client ministries. The estimated costs are allocated to each Ministry based on the hours of service received. The Ministry of Justice, as a service provider, sends the legal services cost information to each Ministry for disclosure in the Related Party Transactions Schedule and the Allocated Costs Schedule to the financial statements of each ministry's annual report.

Client Satisfaction Rate

The Client Satisfaction Rate is based on a survey of client ministries. The percentage of client ministries who were *satisfied* to *very satisfied* with the legal services provided was 89 per cent in 2011-12 and 90 per cent in 2010-11. This performance measure is fully described under Goal 6 in this annual report.

Current and Prior Year Comparison

The table below summarizes the estimated cost of allocated legal services, the number of hours allocated, the average hourly cost and the client satisfaction rate.

Cost Estimates		**2011-12**		**2010-11**
Total Civil Law Costs	$	35,988,282	$	33,148,014
Deduct Contract Services, Grants, and Amortization		78,192		111,167
	$	35,910,090	$	33,036,847
Add: Support Services		1,170,517		1,222,590
Accommodation		1,504,190		1,504,190
Client Cost for Lawyers		3,780,758		3,779,806
Total Legal Services Costs for Allocation	$	42,365,555	$	39,543,433
Number of Hours of Service Provided		260,834		240,653
Average Hourly Cost	$	162.42	$	164.32
Client Satisfaction Rate		89%		90%

Fine Activity Information
(Unaudited)

Federal and Provincial Statute Offences and Municipal Bylaw Offences

A management information report summarizes fine activity by the recipients entitled to the fine or penalty revenue. The municipalities receive specific provincial statute offence fines and all municipal bylaw fines for offences occurring within municipal boundaries. The majority of municipal fine activity occurs in cities, towns, counties and municipal districts. The Alberta government receives fine revenue for provincial statute offences occurring on primary highways and other specific provincial statute offences. The Alberta government receives any late payment penalties on overdue fines and some fines under the *Criminal Code of Canada* and retains 16 2/3% of *Traffic Safety Act* fines. The Victims of Crime Fund, administered by Alberta Solicitor General and Public Security, receives a 15 per cent surcharge on all provincial statute fines and a surcharge on selected federal statute offences. These surcharge revenues are used to fund victims programs in Alberta. The federal government receives fine revenue for federal statute offences and selected fines under the *Criminal Code*.

The tables below summarize fines payments for the twelve months from April 2011 to March 2012 and for the twelve months from April 2010 to March 2011 by the recipient level of government.

Fine Payments – April 2011 to March 2012

Recipient	Number of Fine Payments	Dollar Value of Fine Payments	Percent of Total Dollar Value
Municipalities	1,507,171	$ 139,368,434	53.0%
Alberta Government	220,841	45,830,972	17.4%
Victims of Crime Fund	Note	27,470,419	10.4%
Federal Government	2,494	2,955,986	1.1%
Late Payment Penalty	704,415	18,631,429	7.1%
Fine Retention	Note	28,944,976	11.0%
Total	2,434,921	$ 263,202,036	100.0%

Fine Payments – April 2010 to March 2011

Recipient	Number of Fine Payments	Dollar Value of Fine Payments	Percent of Total Dollar Value
Municipalities	1,652,377	$ 132,470,388	54.6%
Alberta Government	210,102	35,974,782	14.8%
Victims of Crime Fund	Note	26,370,330	10.9%
Federal Government	2,624	1,965,531	0.8%
Late Payment Penalty	754,487	18,240,707	7.5%
Fine Retention	Note	27,703,643	11.4%
Total	2,619,590	$ 242,725,381	100.0%

Note: The Number of Fine Payments for Victims of Crime Fund and Fine Retention have been accounted for in the other recipient categories.

Fine Collection Cost Estimates (Unaudited)

Overview

Costing methodologies have been developed to estimate the cost of collecting a provincial statute fine and the cost of collecting a federal statute (*Criminal Code* and other) fine. The estimated cost of collecting a provincial statute fine is related to the number of violation tickets received by all Provincial Court offices in Alberta. The estimated cost of collecting a federal statute fine is related to the approximate number of Fine Orders in all Provincial Court offices. The estimated costs are those incurred by Alberta Justice in Court Services, Criminal Justice and Client and Corporate Services programs.

Estimated Cost of Collecting a Provincial Statute Fine – 2011-12 and 2010-11

There were 1.917 million violation tickets received by all Provincial Court offices in 2011-12 and 1.927 million in 2010-11. The major cost components for Court Services are the Calgary and Edmonton Provincial Traffic Courts, ticket processing costs in the Regional Provincial Courts and the cost of violation ticket printing and direct general and regional overhead expenditures. Criminal Justice costs include paralegal prosecutors and support staff and first appearance centres in Calgary and Edmonton. Corporate Services costs are for the operation and maintenance of the Justice Online Information Network (JOIN) system applicable to violation tickets and for postage and handling of the Notice of Conviction mail-outs.

The table below summarizes the provincial statute and municipal bylaw fine payments received and the cost for violation tickets received by all provincial courts.

		2011-12	2010-11
Total Provincial Statute and Municipal Bylaw Payments Received			
Provincial Acts - Fine and Surcharge		$ 203,371,786	$ 195,088,694
Municipal Bylaw		16,788,154	15,215,779
Late Payment Penalty		18,631,429	18,240,707
Total Violation Ticket Payments	A	$ 238,791,369	$ 228,545,180
Cost for Violation Tickets Received by All Courts			
Total Estimated Cost	B	$ 30,227,598	$ 30,580,501
Cost per Dollar Collected	(B/A)	$ 0.13	$ 0.13

Estimated Cost of Collecting a Federal Statute Fine – 2011-12 and 2010-11

There were 28,728 Fine Orders in all Provincial Court offices in 2011-12 and 29,314 in 2010-11. The major cost components for Court Services are the salary and benefit costs of court staff and Provincial Court judges with associated supplies and services costs. Criminal Justice costs are primarily the salary and benefit costs of the Crown prosecutors. Corporate Services costs are for the operation and maintenance of the JOIN system applicable to criminal case tracking. Corporate Services also pays for the salary and other operating costs for the Fines Enforcement Unit who collects *Criminal Code* fines on behalf of all courts in the province.

The table below summarizes the federal statute fine payments received and the cost for all Fine Orders prepared by all Provincial Court offices.

		2011-12	2010-11 (Restated)
Total Federal Statute Payments Received			
Federal Acts - Fine and Surcharge	A	$ 24,410,666	$ 14,180,276
Cost for Fine Orders by All Courts			
Court Services and Criminal Justice		$ 19,520,687	$ 18,560,084
Corporate Services		971,373	986,492
Total Estimated Cost	B	$ 20,492,060	$ 19,546,576
Cost per Dollar Collected	(B/A)	$ 0.84	$ 1.38

Note: The increase in Federal Acts – Fine and Surcharge and corresponding decrease in the Cost per Dollar Collected in 2011-12 is primarily attributable to a fine collected under the *Corruption of Foreign Public Officials Act* in the amount of $8,260,000.

Office of the Public Trustee, Estates and Trusts

Financial Statements

March 31, 2012

OFFICE OF THE PUBLIC TRUSTEE,

ESTATES AND TRUSTS

Financial Statements

Year Ended March 31, 2012

Independent Auditor's Report

Common Fund Statement of Revenue and Expenses

Statement of Net Assets Administered

Statement of Changes in Net Assets Administered

Notes to the Financial Statements

Independent Auditor's Report

AUDITOR GENERAL
Alberta

To the Minister of Justice and Solicitor General

Report on the Financial Statements
I have audited the accompanying financial statements of the Office of the Public Trustee, Estates and Trusts, which comprise the statement of net assets administered as at March 31, 2012, and the common fund statement of revenues and expenses and the statement of changes in net assets administered for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management using the basis of accounting described in Note 2.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting described in Note 2; this includes determining that the basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion
In my opinion, the financial statements present fairly, in all material respects, the net assets administered by the Office of the Public Trustee, Estates and Trusts as at March 31, 2012, and the common fund statement of revenues and expenses and the statement of changes in net assets administered for the year then ended, in accordance with the basis of accounting described in Note 2.

Basis of Accounting
Without modifying my opinion, I draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to comply with the provisions of the *Public Trustee Act* for administration of the common fund and client guaranteed accounts, and provides information on the other client net assets administered by the Office of the Public Trustee, Estates and Trusts. As a result, the financial statements may not be suitable for another purpose.

[Original signed by Merwan N. Saher, FCA]

Auditor General

June 6, 2012

Edmonton, Alberta

Office of the Public Trustee
Estates and Trusts
Common Fund Statement of Revenues and Expenses
Year ended March 31, 2012

	(in thousands)	
	2012	2011
COMMON FUND REVENUE		
Interest and dividend revenue from investments	$ 17,456	$ 18,300
Gain on sale of Common Fund investments	1,243	1,107
Interest from cash deposits	175	104
Recovery of prior period expenses	33	--
	18,907	19,511
COMMON FUND EXPENSES		
Investment management expenses	699	672
Assurance payments (Note 8)	144	120
Transfer from Common Fund to General Revenue Fund (Note 2(h))	2,924	1,964
	3,767	2,756
NET INCOME	15,140	16,755
INTEREST CREDITED TO CLIENTS (Note 2(g))	12,910	13,064
NET INCREASE IN COMMON FUND NET ASSETS	2,230	3,691
COMMON FUND NET ASSETS – BEGINNING OF YEAR	69,466	65,775
COMMON FUND NET ASSETS – END OF YEAR	$ 71,696	$ 69,466

The accompanying notes are an integral part of these financial statements

Office of the Public Trustee
Estates and Trusts
Statement of Net Assets Administered
As at March 31, 2012

	(in thousands) 2012	2011 Restated
COMMON FUND ASSETS		
Cash and Cash Equivalents (Note 5)	$ 19,475	$ 14,025
Investment Income Receivable	4,203	4,673
Common Fund Investments (Note 6)	454,292	443,067
	477,970	461,765
Client Guaranteed Accounts	(403,195)	(390,192)
	74,775	71,573
CLIENT ASSETS		
Client Guaranteed Accounts	403,195	390,192
Client Accounts Receivable (Note 2(e(i)))	5,153	3,591
Client Securities and Investments (Note 2(e(ii)) and (Note 7)	70,425	68,210
Client Real Property (Note 2(e(iii)))	22,369	24,040
Client Personal Property and Other Assets (Note 2(e(iv)))	1,041	765
	502,183	486,798
TOTAL ASSETS	$ 576,958	$ 558,371
COMMON FUND LIABILITES		
Accounts Payable and Accrued Liabilities	$ 3,079	$ 2,107
CLIENT LIABILITIES		
Client Accounts Payable, Mortgages and Notes Payable (Note 2(f(i)))	22,648	18,760
Estate Administration Fees Payable to the Ministry of Justice (Note 2(f(ii)))	8,164	8,735
	30,812	27,495
	33,891	29,602
NET ASSETS ADMINISTERED		
Common Fund	71,696	69,466
Client	471,371	459,303
	543,067	528,769
TOTAL LIABILITIES AND NET ASSETS ADMINISTERED	$ 576,958	$ 558,371

Contingent Liabilities (Note 9)
The accompanying notes are an integral part of these financial statements

OFFICE OF THE PUBLIC TRUSTEE
ESTATES AND TRUSTS
STATEMENT OF CHANGES IN NET ASSETS ADMINISTERED
Year ended March 31, 2012

	(in thousands) 2012	2011 Restated
Revenues		
Client pensions, benefits and settlements	$ 97,078	$ 91,094
Interest, dividends and other income	18,436	19,330
Realized gains on investments	1,243	1,107
	116,757	111,531
Expenses		
Client care and maintenance	61,034	61,559
Interest attributed to clients	12,910	13,064
Estate administration fees paid to the Ministry of Justice	5,152	5,306
Transfer from common fund to the General Revenue Fund	2,924	1,964
Investment management expenses	699	672
Assurance payments	144	120
Taxes paid from estates and trusts	2,188	2,113
	85,051	84,798
Excess of Revenues over Expenses	31,706	26,733
Other Changes in Net Assets Administered		
Client assets acquired	37,342	36,666
Net proceeds from sale or collection of client assets	14,831	17,965
Interest credited to clients	12,910	13,064
Distributions to clients, beneficiaries and heirs	(40,097)	(48,813)
Client assets released to clients, beneficiaries and heirs	(23,227)	(23,120)
Client assets sold or collected	(12,506)	(20,699)
Purchase of client assets	(3,344)	(2,508)
Change in client liabilities	(3,317)	(2,434)
	(17,408)	(29,879)
Increase (decrease) in net assets administered	14,298	(3,146)
Net assets administered, beginning of year	528,769	531,915
Net assets administered, end of year	$ 543,067	$ 528,769

The accompanying notes are an integral part of the financial statements.

Office of the Public Trustee
Estates and Trusts
Notes to the Financial Statements

Note 1 Authority and Purpose

The Public Trustee of Alberta ("Public Trustee") operates under the authority of the *Public Trustee Act*, SA 2004, C.P. 44.1, ("the *Act*") and other provincial statutes to protect the financial interests of vulnerable Albertans by administering the estates of represented adults, decedents and minors.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

(a) Reporting Entity

These statements reflect the operations of the Common Fund and the net assets held in trust and activity for the estates and trusts administered by the Office of the Public Trustee.

The Ministry of Justice of Alberta ("the Ministry") is accountable for the Office of the Public Trustee (OPT) as a part of the Ministry. The Ministry pays the operating costs of the OPT. The operating costs of the OPT are not included in these statements and can be found in the financial statements of the Ministry.

(b) Basis of Accounting

These financial statements have been prepared in accordance with a special purpose framework with the significant accounting policies described below. The financial statements have been presented to report on the OPT's fiduciary responsibilities in respect of the administration of client estates and Common Fund as required under the *Public Trustee Act* and the *Public Trustee Investment Regulation*.

(c) Common Fund and Client Guaranteed Accounts

The *Public Trustee Act* Section 31(2) requires (with certain exceptions) that the money received by the Public Trustee for a client to be paid into the Common Fund. Section 33(3) requires any amount paid into the Common Fund for a client under section 31(2) to be credited to the client's guaranteed account with the Public Trustee.

Section 31(4) of the *Act* states that no client or other person has any claim to or against the Common Fund except as provided by section 33. Section 33(6) states that the amount outstanding on a client's guaranteed account is a charge against the assets of the Common Fund and is unconditionally guaranteed by the Crown.

Section 32(1) of the *Act* states that assets may be transferred out of the Common Fund only as expressly required or permitted under the *Act*. Section 32(2) allows funds to be transferred out of the Common Fund to pay the client, to pay an expense or liability of the client (including Public Trustee fees authorized by section 40), or similar purposes. Amounts transferred from the Common Fund under section 32(2) are deducted from the client's guaranteed account (section 33(4)). Section 32(3) allows the Public Trustee to transfer amounts from the Common Fund to cover expenses of operating the Common Fund (e.g. bank charges, custodianship fees, investment advisors fees). Section 32(4) allows the Public

Trustee, in accordance with the *Public Trustee Investment Regulation (Regulation)*, to transfer amounts from the Common Fund to be applied to the cost of administering the *Act*. Amounts transferred from the Common Fund under either section 32(3) or section 32(4) are not deducted from clients' guaranteed accounts (section 32(5)), but are charged against Common Fund operations.

Section 34 of the *Act* states that the Public Trustee, in accordance with regulations, sets the interest rate to be credited to client guaranteed accounts.

(d) Common Fund

The basis of accounting for common fund assets and liabilities is in accordance with Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and as required by the *Act* and the *Public Trustee Investment Regulation*.

(i) Common Fund Investments

Common fund investments are recorded at cost. They include bonds, mortgages, equity investments and cash equivalents. If an investment loses value that is other than a temporary decline, its recorded amount is reduced to reflect the loss.

Investment income is accrued as earned. Purchase price premiums or discounts are amortized on a straight-line basis over the remaining term of the investment.

Unless otherwise noted, it is management's opinion that the investments are not exposed to significant interest, currency, credit or market risks. Further disclosure regarding investment risks is described in Note 6. The fair values of these investments approximate their carrying values unless otherwise noted.

(ii) Common Fund Revenue Recognition

All Common Fund revenues are reported on the accrual basis of accounting. Interest, dividends and other income earned on common fund investments is recorded using the accrual basis of accounting with amounts earned in the fiscal year but not received prior to the year-end as investment income receivable.

Realized gains and losses on the disposition of common fund investments are recorded on the date of settlement of the disposal transaction.

(iii) Common Fund Expense Recognition

All Common Fund expenses are reported on the accrual basis of accounting. Transfer from common fund to the General Revenue Fund, investment management expenses related to the common fund investments, and assurance payments are recorded using the accrual basis of accounting with amounts incurred in the fiscal year but not paid prior to year-end reflected as common fund accounts payable and accrued liabilities.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (cont'd)

(iv) Common Fund Assets

Assets of the Common Fund are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations of the Common Fund.

(v) Common Fund Liabilities

Liabilities of the Common Fund are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in the future sacrifice of economic benefits.

(e) Client Assets

Client assets consist of accounts receivable, client securities and investments, real property, and personal property and other assets that are held outside of the common fund.

Client assets are initially recorded at their estimated fair value at the date that the Public Trustee assumes control of the asset. The initial recorded amounts are not adjusted for subsequent increases or decreases in fair value except for annuities and securities and investments held for represented adults as further described below. At the time of disposition of the asset, any difference between the proceeds and the recorded asset amount is charged or credited to the client's net asset administered account.

(i) Client Accounts Receivable

Client accounts receivable consist primarily of mortgages, loans and other receivables, external bank account balances prior to the transfer to the Public Trustee, and pension plan and other benefit receivable and other miscellaneous receivables. These accounts receivable are recorded at their estimated fair value.

Represented Adult pension plans with a guaranteed minimum payment are recorded at a nominal value of $1 and adjusted to residual value at the date of death of the client. Plans where there is no residual value are recorded at a nominal value of $1.

Life insurance policies that carry a cash surrender value are stated at cash surrender value. Policies that do not carry a cash surrender value are recorded at a nominal value of $1.

If the Public Trustee considers it appropriate, a represented adult's trusteeship plan will permit the represented adult to open or maintain a deposit account at a financial institution with a proposed maximum balance of $2,500. These bank accounts are used on a regular basis by the represented adult clients and fluctuate significantly throughout the year. These accounts are recorded at a nominal value of $1.

All other receivables are recorded their estimated fair value.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (cont'd)

(ii) Client Securities and Investments

Client securities and investments, held for clients outside the common fund, consist of bonds, annuities, shares, registered retirement savings plans (RRSPs), registered disability savings plans (RDSPs), retirement income funds, term deposits, guaranteed investment certificates and other investments.

Annuities are recorded at the present value of their guaranteed term. If there is not a guaranteed term, the annuity is recorded at a nominal value of $1.

Client securities and investments are recorded at their market value at the time the OPT assumes responsibility for the investment. Client securities and investments for Represented Adults are updated to market value as of December 31 each year. Client securities and investments for decedent's accounts remain at market value as at the date the office assumed responsibility for the investment.

Where a market value for an investment is not readily available, the investment is recorded at a nominal value of $1. The carrying value of the investment is adjusted to market value if one subsequently becomes available.

(iii) Client Real Property

Client real property consists primarily of land and buildings to be held on a temporary basis. Client real property assets are initially recorded at fair value based on the property tax assessments and other information at the time the OPT assumes responsibility for the property. If fair value is not available the real property is recorded at a nominal amount of $1.

Buildings and other assets are not depreciated in future periods after the initial value is determined. It is the opinion of management that there would be no value to develop and implement an amortization policy for client real estate. These are primarily personal residences.

(iv) Client Personal Property and Other Assets

Client personal property and other assets are recorded at a nominal value of $1 at the time the OPT assumes responsibility for the assets.

The OPT does obtain independent valuations of clients' personal property if the assets are believed to be valuable. Client assets such as jewellery, collectibles, and antiques are appraised for insurance purposes and this amount is recorded. For other client personal property where external valuations is readily available (such as vehicles) these valuations are recorded. Other client personal property such as household furniture, pictures, bikes, etc are recorded at $1 as there is no material resale value for these items.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (cont'd)

(f) Client Liabilities

Client liabilities include accounts, mortgages and notes payable to counterparties other than the client, beneficiaries or heirs. They represent encumbrances of client assets. Client liabilities also include estate administration fees payable to the Ministry of Justice that are accrued and paid during the period of administration of the estate or trust up to and including the wind-up of the estate or trust. These client liabilities are settled as client resources become available.

All client liabilities are recorded at their estimated fair value at the date of assumption of the liability.

(i) Client Accounts Payable, Mortgages and Notes Payable

Client accounts payable, mortgages and notes payable represent encumbrances of client assets that are payable to independent third parties. These client obligations are settled as client resources become available. In some cases, a client's liabilities exceed the stated value of his/her assets. These items are included as accounts payable when they have been verified by the creditor and are paid as the resources of the client become available. The carrying value of these liabilities approximates fair value.

(ii) Estate Administration Fees Payable to the Ministry of Justice

Public Trustee fees on all official guardian accounts are calculated and collected in the month of the annual anniversary of the opening of the file. Fees are accrued for the period from the anniversary date to the Statement of Net Assets Administered date. For accounts opened prior to January 1, 2005 a one-time calculation of fees on official guardian accounts was completed to December 31, 2004 and recorded as a liability. These fees will be collected from the client at the end of the Public Trustee's administration.

Public Trustee fees for represented adult accounts are calculated and collected annually on the trust's anniversary date. Fees are accrued for the period from the anniversary date to the Statement of Net Assets Administered date.

Public Trustee fees on decedent accounts are not charged until the trust or account is distributed. Fees are accrued from the period of the date the trust account was opened until the Statement of Net Assets Administered date.

In addition to the above stated administration fees the Public Trustee may, in accordance with section 40(1)(a) of the Act, charge the client any fee that the Public Trustee deems is reasonable for any service, including legal services, that the Public Trustee provides to the client or for a task or function performed by the Public Trustee for the benefit of the client. Under section 40(1)(b), the Public Trustee is entitled to collect from the client any expense reasonably incurred on the client's behalf.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (cont'd)

Administration fees paid by the clients to the OPT, with the exception of cost recoveries, are remitted to the Minister of Finance and are included in the revenue of the Ministry of Justice.

(g) Interest Credited to Clients

Section 34 of the *Act* states that the Public Trustee shall set the interest rate for each category of guaranteed accounts in accordance with the *Regulation.* Interest must be credited to guaranteed accounts in accordance to this section and the *Regulation.* Interest is calculated on the minimum daily balance of each client's account and is credited to the client's account monthly. The interest rate as at March 31, 2012 is 3.25% (2011 – 3.25%).

(h) Transfer from Common Fund to the General Revenue Fund

The Public Trustee, in accordance with section 32(4) of the *Act* and the *Regulation*, may transfer amounts from the Common Fund to the General Revenue Fund to be applied to the cost of administering the *Act*. Up to an amount not exceeding 1% of the prior year's common fund assets at the beginning of the fiscal year may be transferred annually to the Ministry of Justice to fund specific initiatives that have been approved by Treasury Board.

(i) Net Client Assets Acquired During the Year

Net client assets acquired during the year consists of client assets acquired during the year as well as valuation adjustments to assets acquired in previous years, and the difference between the proceeds on assets sold and the value of the asset. Assets are valued in accordance with policies in Note 2. Other items on the Statement of Changes in Net Assets Administered do not include valuation adjustments.

Note 3 Accrual of Client Transactions after March 31st

(in thousands)

The Office of the Public Trustee created a new accounting policy for the recognition of client transactions occurring on or before March 31st of each fiscal year which were not recorded into the Public Trustee Information System (PTIS) as of March 31st of each fiscal year. The new policy will record only material individual transactions equal to or more than fifty thousand dollars or an aggregate of transactions over four thousand dollars equal to or over one half million dollars. The new accounting policy has been applied retroactively.

The impact on the Statement of Net Assets Administered is as follows:

Client Accounts Receivable at March 31, 2011 as previously reported	$3,757
Less accrual for receipts received	(168)
Less accrual for accounts receivable	2
Restated balance at March 31, 2011	$3,591

Client Securities and Investments at March 31, 2011 as previously reported	$68,868
Less accrual for Government of Canada Bonds	(37)
Less accrual for GIC and Term Deposits	(23)
Less accrual for RRSP	(33)
Less accrual for Shares and Other Receivables	(33)
Less adjustment for annuity calculation	(532)
Restated balance at March 31, 2011	$68,210

Client Personal Property and Other Assets at March 31, 2011 as previously reported	$774
Less accrual for Personal Property	(9)
Restated balance at March 31, 2011	$765

Client Accounts, Mortgages and Notes Payable at March 31, 2011 as previously reported	$18,798
Less accrual for disbursements	(32)
Less accrual for accounts payable	(6)
Restated balance at March 31, 2011	$ 18,760

Note 3 Accrual of Client Transactions after March 31st (cont'd)

(in thousands)

Client Assets at March 31, 2011 as previously reported	$460,098
Less accrual for receipts received	(168)
Less accrual for accounts receivable	2
Less accrual for disbursements	32
Less accrual for accounts payable	6
Less accrual for Government of Canada Bonds	(37)
Less accrual for GIC and Term Deposits	(23)
Less accrual for RRSP	(33)
Less accrual for Shares and Other Receivables	(33)
Less accrual for Personal Property	(9)
Less adjustment for annuity calculation	(532)
Restated balance at March 31, 2011	$459,303

The impact on the Statement of Changes of Net Assets Administered is as follows:

Client Assets Aquired at March 31, 2011 as previously reported	$36,971
Less accrual for receipts received	(168)
Less accrual for Personal Property	(9)
Less accrual for Government of Canada Bonds	(37)
Less accrual for GIC and Term Deposits	(23)
Less accrual for RRSP	(33)
Less accrual for Shares and Other Receivables	(33)
Less accrual for accounts receivable	(2)
Restated balance at March 31, 2011	$36,666

Note 3

Accrual of Client Transactions after March 31st (cont'd)
(in thousands)

Client Assets Released to Clients, Beneficiaries & Heirs at March 31, 2011 as previously reported	$(22,593)
Less accrual for client accounts receivable	5
Add adjustment for annuity calculation	(532)
Restated balance at March 31, 2011	$(23,120)

Change in Client Liabilities at March 31, 2011 as previously reported	$(2,472)
Less accrual for disbursements	38
Restated balance at March 31, 2011	$(2,434)

Note 4

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or described amount and another reasonably possible amount. In particular, the fair value of many assets is estimated at the time the Office of the Public Trustee assumes the responsibility for the assets. Actual results could differ from those estimates.

Note 5

Cash and Cash Equivalents
(in thousands)

	2012	2011
Operating bank accounts	$ 17,416	$ 12,034
Cash included in investment portfolios	47	4
Consolidated Cash Investment Trust Fund (CCITF)	2,012	1,987
Total	$ 19,475	$ 14,025

Cash consists of demand deposits in the Consolidated Cash Investment Trust Fund (CCITF) which is administered by the Ministry of Finance with the objective of providing competitive interest income to depositors while maintaining maximum security and liquidity of depositors' capital. The portfolio comprises high quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2012, securities held by the CCITF have a time-weighted rate of return of 1.3% per annum (2011 – 1.1% per annum).

Note 6 Common Fund Investments

(in thousands)

The table below represents the investment asset mix and for fixed-income investments shows the remaining terms to maturity and interest rates as of March 31, 2012.

	0 to 5 years		5 to 10 years		Over 10 years		2012	2011
	$	%	$	%	$	%	Total	Total
Government of Canada bonds	$32,974	2.75% to 4.80%	$2,149	1.50% to 4.10%	$286	4.00% to 5.75%	$35,409	$33,476
Province of Alberta bonds	$10,521	5.85%	$0		$0		$10,521	$10,647
Other Provinces' bonds	$164,400	3.15% to 6.00%	$1,233	4.00% to 4.50%	$11,508	4.60% to 9.375%	$177,141	$162,636
Municipal bonds	$0		$150		$0		$150	$17,943
Corporations' bonds	$70,257	2.65% to 5.06%	$45,905	3.95% to 6.65% and variable	$24,943	5.217%	$141,105	$142,855
ATB Financial bonds	$0		$0		$0		$0	$5,987
Equity Investments	$0		$0		$14,630		$14,630	$13,723
Cash Equivalent	$12,102		$0		$0		$12,102	$3,545
Mortgages	$23,705	3.34% to 6.54%	$381	4.20% to 4.35%	$2,920		$27,006	$28,538
Other – Asset Backed	$35,962	3.333% to 5.421%	$0		$0		$35,962	$23,141
Other – US Treasury	$0		$0		$0		$0	$318
Interest Receivable Diversified Portfolio	$266		$0		$0		$266	$258
Total	$350,187		$49,818		$54,287		$454,292	$443,067

	2012	2011
Market Value March 31	$464,750	$451,254

Note 6 Common Fund Investments (cont'd)

The OPT recognizes that, by their nature, investments carry with them certain risks. The investment policy employed by the OPT is designed to mitigate these risks as much as possible by placing restrictions on the overall content and quality of the permitted investments. The following describes the Public Trustee's risks associated with the investments portfolio, managed by an independent investment manager.

Market Risk

Market risk refers to the potential that the value of the investments will fluctuate as a result of foreign currency, interest rate and general market changes.

The market value of the Common Fund investments will fluctuate with changes in foreign currency, interest rate and general market changes. To mitigate these risks the Public Trustee works with an investment advisor and an investment manager that actively manage asset class allocations on permitted investments based on the Statement of Investment Policy and Guidelines (SIP&G). The Public Trustee also manages market risk and interest rate risk by limiting the quantity and quality of interest rate sensitive investments based on policies and guidelines in the SIP&G.

Credit and Liquidity Risk

Credit and liquidity risk arises from the potential for an investee to fail or for an issuer to default on its obligations to the common fund. The Public Trustee mitigates this risk by developing policies and guidelines in the SIP&G that limits the quantity and quality of the permitted investments to high quality, highly rated equity investments and highly rated fixed income securities.

Note 7 Client Securities and Investments

(in thousands)

Client securities and investments consist of:

	2012	2011
Annuities	$ 36,951	$ 37,538
RRSPs, Term and Other Deposits	9,722	10,974
RDSPs	17,017	10,451
Shares and Other Securities	6,551	7,915
Government Bonds	184	1,332
Total	$ 70,425	$ 68,210

Due to the numerous unique client investments, it is not practical to determine market value or described rates of return on these investments.

Note 8 **Assurance Payments**
(in thousands)

Section 35(1) of the *Act* states that the Minister of Justice and Attorney General may authorize an amount to be transferred from the Common Fund to a person who has suffered a loss as a result of an act or omission of the Public Trustee, if the Public Trustee certifies that it is just and equitable to make the payment. Under section 35(2) the amount of the claim may not exceed the amount by which the value of the assets of the Common Fund exceeds the total amount outstanding on guaranteed accounts immediately before the payment. During the year, the Office of the Public Trustee made assurance payments of $144 (2011 - $120).

Note 9 **Contingent Liabilities**
(in thousands)

At March 31, 2012, the Public Trustee is a defendant in nine legal claims (2011 – nine legal claims). Eight of these claims have specified amounts totalling $928,732 and the remaining one have no specified amount (2011- seven claims with a specified amount of $926,732 and two with no specified amount). Included in the total legal claims are five claims amounting to $918,480 (2011– six claims amounting to $918,480) in which the Public Trustee has been jointly named with other entities. Six claims amounting to $921,900 (2011 – five claims totalling $913,400) are covered by the Alberta Risk Management Fund.

Note 10 **Comparative Figures**
(in thousands)

Certain 2011 figures have been reclassified to conform to the 2012 presentation.

An adjustment was required in the recording of investment expenses related to the management of the common fund. Comparatives for 2011 have been restated as follows:

	2011 Prior	Adjustment	2011 Adjusted
Interest and dividend revenue from investments	$ 17,629	$ 671	$ 18,300
Investment management expenses	$ 1	$ 671	$ 672

Note 11 **Subsequent Events**

On May 8, 2012, the government announced cabinet restructuring. As a result, the responsibilty for the Office of the Public Trustee was transferred from the Ministry of Justice to the Ministry of Human Services.

Note 12 **Approval of Financial Statements**

The Deputy Minister of Justice and the Public Trustee approved these financial statements.

Annual Report Extracts and Other Statutory Reports

Anti-Terrorism Act

Section 83.31 of the *Criminal Code of Canada* requires the Attorney General of Alberta to publish an annual report on the operation of those parts of the Act dealing with investigative hearings and recognizance with conditions.

This constitutes the annual report of the Attorney General of Alberta covering the period from December 24, 2010 to December 24, 2011.

I. Report on the Operation of Section 83.28 and 83.29
(Investigative Hearing)

The Attorney General of Alberta reports that there were no applications initiated under these sections of the *Criminal Code of Canada*. As such, there is no data to report in relation to the reporting requirements under paragraphs 83.31(1)(a) to (c) of the *Criminal Code of Canada*.

II. Report on the Operation of Section 83.3
(Recognizance with Conditions)

The Attorney General of Alberta reports that there were no cases initiated under this section of the *Criminal Code of Canada*. As such, there is no data to report in relation to the reporting requirements in paragraphs 83.31(2)(a) to (f) of the *Criminal Code of Canada*.